

## Gas Market Model Ordinance 2020

### **E-Control Executive Board Ordinance on Provisions for the Gas Market Model (Gas Market Model Ordinance 2020, GMM Ordinance 2020)**

In exercise of section 41 paras 1, 3 and 4 *Gaswirtschaftsgesetz* (Gas Act) 2011, *BGBI.* (Federal Law Gazette [FLG]) I no 107/2011, as last amended by the Federal Act in FLG I no 108/2017 and Commission Regulation (EU) No 312/2014 establishing a Network Code on Gas Balancing of Transmission Networks, in conjunction with section 7 para. 1 *Energie-Control-Gesetz* (E-Control Act), FLG I no 110/2010, as last amended by the Federal Act in FLG I no 108/2017, the following Ordinance is issued:

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## Title 1

### Principles

#### Scope

**Section 1.** The present Ordinance regulates system access, capacity and congestion management as well as balancing, clearing and settlement in the Austrian market areas east, Tyrol and Vorarlberg.

#### Definitions

**Section 2.** (1) The definitions in section 7 *Gaswirtschaftsgesetz* (Gas Act) 2011, section 2 *Gas-Systemnutzungsentgelte-Verordnung* (Gas System Charges Ordinance) 2013, FLG II no 209/2012, as last amended in the ordinance in FLG II no 355/2018, and those in Article 2 Regulation (EC) No 715/2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005, OJ L 211/36, 14.08.2009, as well as those in Article 3 Commission Regulation (EU) 2017/459 and Article 3 Commission Regulation (EU) 312/2014 apply.

(2) In addition to the above, for the purpose of this Ordinance, the term

1. “balancing period” means the period of time for which imbalances of system users at entry, exit or metering points are calculated;
2. “single clearing entity” means the undertaking which has been appointed to be the clearing and settlement agent of a market area pursuant to section 170a Gas Act 2011 in conjunction with section 85 Gas Act 2011, and which exercises the tasks of a clearing and settlement agent under section 87 Gas Act 2011 and handles integrated market area balancing in the eastern, Tyrol and Vorarlberg market areas;
3. “booking” means the conclusion of system access contracts at bookable entry/exit points;
4. “bookable entry/exit point” means a bookable entry or exit point in the market area;
5. “renewable gas” means biogas or other renewable gas pursuant to section 7 para. 4 Gas Act 2011 and the *Gaskennzeichnungsverordnung* (Gas Labelling Ordinance);
6. “firm capacity” means capacity that is guaranteed and may only be interrupted in cases of force majeure and planned maintenance;
7. “freely allocable capacity” means capacity that enables firm transports in the entire market area and gives firm access to the virtual trading point;
8. “gas day” means the period of time from 06.00 hrs on one calendar day until 06.00 hrs on the following calendar day;
9. “cross-border interconnection point” means an interconnection point that connects a market area to another market area;
10. “flow commitment” means a contractual agreement of a system operator or of the MADAM with a system user by which the latter commits to particular flows which are suitable and necessary to increase available freely allocable entry/exit capacity;
11. “market area and distribution area manager”, aka “MADAM”, means the undertaking that exercises the tasks of the market area manager for the eastern market area pursuant to section 14 Gas Act 2011 and those of the distribution area manager pursuant to section 18 Gas Act 2011;
12. “online platform” means the platform pursuant to section 39 paras. 2 and 3 Gas Act 2011;
13. “balancing energy” means the quantities of energy procured by the MADAM on the balancing market;
14. “SLP customer” means a final customer that has been assigned a standard load profile (SLP) by the relevant distribution system operator pursuant to section 3 *Lastprofilverordnung* (Load Profile Ordinance), FLG I No. 338/2018;

15. “balance sub-account” means an account that belongs to a balance group and enables assigning entry and exit capacity to system users and/or a clear representation of entries and exits;
16. “network area” means the entire area operated by a system operator. A network area must not necessarily be geographically contiguous;
17. “Commission Regulation 2017/459” means Commission Regulation (EU) 2017/459 establishing a network code on capacity allocation mechanisms in gas transmission systems, OJ L 72/1, 17.03.2017;
18. “Commission Regulation 312/2014” means Commission Regulation (EU) 312/2014 establishing a network code on capacity allocation mechanisms in gas transmission systems, OJ L 91/15, 27.03.2014;
19. “Commission Regulation 2015/703” means Commission Regulation (EU) 2015/703 establishing a network code on interoperability and data exchange rules, OJ L 113/13, 01.05.2015.

#### **Technical rules**

**Section 3.** System access, system operation and calculation of energy amounts shall comply with the relevant technical rules (section 7 para. 1 item 53 *Gaswirtschaftsgesetz* [Gas Act] 2011) as listed in annex 2.

### **Title 2**

#### **System access**

##### **Chapter 1**

#### **Transmission network access**

##### **Capacity offer**

**Section 4.** (1) As a rule, the firm capacity offered by transmission system operators is freely allocable.

(2) In cooperation with the transmission system operators, the MADAM shall evaluate and, where necessary, coordinate the below measures to increase the amount of announced firm freely allocable capacity in accordance with section 35 para. 1 *Gaswirtschaftsgesetz* (Gas Act) 2011 to the extent that is economically feasible for the overall network, in the following order:

1. Contractual arrangements with system users for flow commitments;
2. Offers for entry and exit capacity which is, notwithstanding para. 1 above, subject to certain allocation restrictions.

(3) Services according to para. 2 above shall be handled in non-discriminatory and transparent procedures under appropriate conditions. The transmission system operators, in cooperation with the MADAM, shall take the economically reasonable measures as referred to in para. 2 if they are shown by an examination to be possible and suitable for increasing the freely allocable capacity on offer. In examining economically reasonable measures to increase the offer of freely allocable capacity, the MADAM and the transmission system operators shall work together with the aim of keeping application of the measures referred to in para. 2 to a minimum. The transmission system operators shall notify the amount of available capacity determined on the basis of paras 1 to 3 to the regulatory authority prior to allocating capacity according to sections 5 and 8.

##### **Capacity allocation**

**Section 5.** (1) The transmission system operators shall auction firm and interruptible entry and exit capacity through a booking platform in accordance with Article 37 Commission Regulation 2017/459.

(2) To allocate interruptible capacity, transmission system operators may create categories that reflect the probability of interruptions.

(3) Where this serves to maximise the offer of bundled capacity, transmission system operators may offer bundled capacity with allocation restrictions.

##### **Capacity conversion**

**Section 6.** (1) Transmission system operators shall offer system users holding mismatched unbundled firm entry or exit capacity at one side of a bookable entry/exit point a free-of-charge capacity conversion service pursuant to Article 21(3) Commission Regulation 2017/459. Such capacity conversion service applies to bookable entry/exit points where the system user had to acquire bundled freely allocable entry or exit capacity in the form of annual, quarterly or monthly capacity products because the unbundled entry or

exit capacity on the other side of the bookable entry/exit point offered by an adjacent transmission system operator was insufficient.

(2) Capacity conversion enables system users to return to the transmission system operator the part of the bundled freely allocable entry or exit capacity that was purchased twice because it overlaps with the mismatched unbundled capacity. The system user then does not have to pay the charge for the overlapping bundled freely allocable entry or exit capacity. However, the system user shall still pay any auction premia that applied for the overlapping bundled freely allocable entry or exit capacity as well as any positive difference in the applicable rates if the overlapping entry or exit capacity was more expensive.

(3) System users shall notify their use of the capacity conversion service to the transmission system operator no later than five working days following their bundled booking of the freely allocable entry or exit capacity. The transmission system operators shall publish a form for this purpose on their websites. The transmission system operators shall confirm use of the capacity conversion service no later than three working days after receiving the system user's notification.

(4) Where incremental capacity is auctioned in offer levels pursuant to Articles 29 and 30 Commission Regulation 2017/459, the transmission system operator may exclude application of the capacity conversion service if it is to be expected that such capacity conversion could turn a positive economic test outcome into a negative one ex post. Where a transmission system operator excludes application of the capacity conversion service, it shall inform the regulatory authority thereof at least four weeks before the auction is published.

(5) The capacity conversion service is made available only for contracts for mismatched unbundled firm entry or exit capacity that were concluded before the 2017 amendment to the *Gas-Marktmodell-Verordnung* (Gas Market Model Ordinance) in FLG II no 236/2017 came into force.

#### **Virtual interconnection points**

**Section 7.** (1) Before they implement virtual interconnection points pursuant to Article 19 Commission Regulation 2017/459, system operators shall consult the market participants and notify the regulatory authority.

(2) If a virtual interconnection point has been established at a cross-border interconnection point, system operators shall offer available capacity at this cross-border interconnection point through the virtual interconnection point exclusively.

#### **Nomination and renomination**

**Section 8.** (1) The responsibility for nominating and renominating lies with the balance responsible party of the balance group into which the system user has entered its capacity in accordance with section 9.

(2) The balance responsible party shall nominate the gas quantities to be transported as usage of firm capacity at a bookable entry/exit point by 14.00 hrs on the day before transport. Should the transmission system operator not receive any nomination by this time, it shall assume that nothing has been nominated.

(3) The nominating balance responsible party may replace its initial nomination by a renomination with a lead time of at least two hours on the full hour.

(4) The transmission system operator shall allocate first firm, then interruptible capacity products to the balance responsible parties' nominations and renominations. The reference time frame for such allocation, as well as for the limits in section 16 paras 1 and 4, is the hour.

(5) Nominations shall be made for each flow direction separately. Bundled capacity shall be nominated in accordance with Article 19(7) Commission Regulation 2017/459.

(6) Allocated day-ahead capacity shall be nominated by 20.00 hrs for the following day.

#### **Entry of capacity to balance groups**

**Section 9.** (1) To enable nomination at entry/exit points in the market area, the capacity booked at these points must be entered into a balance group in due time. Based on the entry/exit contract concluded between the system operator and the system user, the latter enters all booked entry/exit capacity at market area borders to a balance group by informing the system operator thereof, making reference to the balance group's ID. System users may split their booked capacity into several parts with different amounts and enter such parts into different balance groups and sub-accounts. System users must be either the balance responsible party of the balance group to which they want to enter capacity or direct balance group members of this balance group in accordance with section 19 para. 2.

(2) Short-term capacity (daily and within-day standard capacity products pursuant to Article 9(5) and (6) Commission Regulation 2017/459) shall be entered to balance groups without delay.

### Transmission system access

**Section 10.** (1) Sections 5 to 9, 16 and 17 do not apply to exit capacity from the transmission network into the distribution network in the market area, into storage or for supply of final customers, or to entry capacity into the transmission network from storage or from production. Instead, such capacity shall be allocated on a first come first serve basis. Bookings for such capacity shall be made by the MADAM or the connected storage system operator, final customer or producer of fossil or renewable gas.

(2) Sections 11 and 12 apply mutatis mutandis to transmission-level system access for final customers.

## Chapter 2

### Distribution network access

#### Applications for system access and capacity expansion

**Section 11.** (1) Access to the distribution network is governed by the provisions of sections 27 et sqq. *Gaswirtschaftsgesetz* (Gas Act) 2011. Applications for access to a system must contain at least the information listed in annex 1. System access contracts may specify any point in time within three years of signing the contract as starting point for system use. Where the system access contract states that system use will begin later than three months after contract signature, the name of the supplier in line with annex 1 point I item 1(h) may be omitted and instead be inserted during the enabling procedure according to the *Wechselverordnung* (Gas Switching Ordinance) 2014. System access contracts that state that system use will begin later than three months after contract signature may include non-discriminatory and factual conditions for guaranteeing capacity bookings; moreover, they shall fix adequate charges for (partial) non-use of the contractual capacity from the agreed time of use which reflect the degree of non-use. The provisions relating to the amount, reduction and payment security of such charges in chapter III point 1(4) in annex 1 apply mutatis mutandis.

(2) Once a distribution system operator has accepted a system access application, it shall send the system user the system access contract without delay.

(3) The maximum capacity pursuant to chapter I point 1(c) in annex 1 can be increased as of the beginning of each month, while respecting any conditions agreed. Once increased, it may be reduced as of the beginning of the month twelve months after the last increase at the earliest. In all other cases, the maximum capacity pursuant to annex I point 1 item 1(c) can be reduced once in twelve months, at the beginning of a month, while respecting any conditions agreed.

(4) Applications for capacity expansion pursuant to section 33 para. 2 Gas Act 2011 must contain the same information as system access applications under para. 1. Handling of capacity expansion applications shall comply with the requirements set out in annex 1. Capacity expansion applications shall be processed in the same order they are filed.

(5) In cases where the undertaking that discharges the functions of a distribution system operator at the same time acts as final customer whose facility is connected to its own distribution system, sections 11 and 12 apply mutatis mutandis. This does not apply to system operators' own-use facilities which serve to operate the gas pipeline system.

#### Application for admission to the system

**Section 12.** (1) For establishing first connections to a system or changing existing connections, parties entitled to system access shall apply to the distribution system operator. The distribution system operator is responsible for establishing an operational line from the connection point to the entry point or end of the distribution system. The distribution system operator's responsibilities include construction, maintenance and decommissioning of this connection. The construction of connection lines shall comply with the minimum requirements set out in annex 1.

(2) The distribution system operator shall connect the applicant's installation to its distribution system in accordance with the provisions of section 59 *Gaswirtschaftsgesetz* (Gas Act) 2011.

(3) Applications for admission to a system must contain at least the information listed in annex 1. Once a distribution system operator has accepted a system user's system admission application, it shall send the system user the system admission contract without delay. To the degree that system admission contracts with storage or production system operators impact operation of the distribution system, such contracts shall be concluded in accordance with the MADAM's instructions. Conclusion of a system admission contract does not entitle the party entitled to system access to use of the network.

(4) If other system users make use of a connection line within ten years of its being commissioned, the distribution system operator shall divide the system admission charge among the relevant system users so

that the shares reflect their contracted capacities at the time of cost division. The distribution system operator shall reimburse the excess charge collected resulting from such redistribution to the system users that paid for the construction, except in cases where the distribution system operator only charged a prorated share of the system admission charge from the start, anticipating that further connections would be made.

### **Capacity management in the distribution area**

**Section 13.** (1) The MADAM shall fix the total maximum firm capacity to be booked at the internal interconnection points from each transmission system to the distribution network in the market area together with the relevant transmission system operator once a year for the following calendar year, in accordance with the capacity needs resulting from the approved long-term plan pursuant to section 22 *Gaswirtschaftsgesetz* (Gas Act) 2011. Transmission system operators shall permanently reserve the firm capacity booked in a year for the next year. Booking less annual capacity than has been permanently reserved is only permissible to the extent that a system operator can market the capacity elsewhere.

(2) There shall be no capacity management and no congestion management at balance group level at the interface between the market area's transmission and distribution networks.

(3) Section 17 applies mutatis mutandis to system access at distribution-level cross-border interconnection points. Entry/exit capacity offers and allocation at distribution-level market area borders are tasks of the MADAM. The MADAM shall allocate capacity to system access applications on a first come first serve basis through an online platform. The MADAM shall notify the regulatory authority in advance of any implicit capacity allocations under Article 2(4) Commission Regulation 2017/459.

(4) In the case of distribution-level cross-border interconnection points that serve to supply part of the market area exclusively from an adjacent market area, the necessary capacity shall be booked by the MADAM.

## **Chapter 3**

### **System access for storage system operators and producers of fossil or renewable gas**

#### **System access for storage system operators**

**Section 14.** (1) Storage system operators shall set the maximum necessary capacity for exit into and entry from storage together with the system operator to whose system the facility is or is to be connected once a year for the following calendar year. The system operators shall permanently reserve the firm or standard capacity booked in a year for the next year. If a storage system operator fails to comply with the system operator's call to book capacity within a reasonable deadline to be set by the system operator, the amount of capacity last booked by the storage system operator shall be again booked for the next year. Annual bookings of firm or standard capacity that fall short of what has been agreed for a year between the storage system operator and the system operator by more than 10% are only permissible to the extent that the firm or standard capacity can be marketed in the market area with the same financial effect. Annual bookings of interruptible capacity that fall short of what has been agreed for a year between the storage system operator and the system operator are not restricted by the condition that the interruptible capacity must be marketed in the market area with the same financial effect. If a capacity expansion project has been initiated by a single storage system operator, the annual booking may only be reduced insofar as this is foreseen in the capacity expansion contract. To increase the annual booking beyond the capacity that had been agreed as necessary, a system access application pursuant to section 11 must be filed. Increases of existing capacity bookings for durations between one month and two years do not increase the basis from which the maximum annual reduction of a booking is calculated, and system operators do not have to permanently reserve capacity for such booking increases.

(2) Notwithstanding para. 1, storage system operators may fix the maximum necessary capacity for exit into and entry from storage together with the system operator to whose system the facility is or is to be connected for a minimum duration of 15 years at a time. The obligation to reserve the booked firm or standard capacity expires when the contract ends, unless an agreement for further firm or standard capacity reservation is entered into no later than three years before the contract expires. Booking less firm or standard capacity than has been contractually agreed is only permissible to the extent that the firm or standard capacity can be marketed in the market area with the same financial effect. If a capacity expansion project has been initiated by a single storage system operator, the booking may only be reduced insofar as this is foreseen in the capacity expansion contract. To increase the booking beyond the reserved capacity, a system access application for the contract duration of the reserved capacity pursuant to section 11 must be filed. Increases of existing capacity bookings for durations between one month and two years do not increase the basis from which the maximum annual reduction of a booking is calculated, and system operators do not have to permanently reserve capacity for such booking increases.

(3) Sections 11 and 12 apply mutatis mutandis to storage system operators whose facilities are connected at transmission level.

(4) The rights and obligations necessary for operation shall be agreed in contracts between the MADAM and the storage system operators whose facilities are connected at distribution level.

#### **System access for producers of fossil or renewable gas**

**Section 15.** (1) Producers of fossil or renewable gas shall set the maximum necessary capacity for production together with the system operator to whose system their facility is or is to be connected once a year for the following calendar year. System operators shall permanently reserve the capacity booked in a year for the next year. If a producer of fossil or renewable gas fails to comply with the system operator's call to book capacity within a reasonable deadline to be set by the system operator, the amount of capacity last booked by the producer shall be again booked for the next year. Annual capacity bookings that fall short of the capacity agreed as permanently necessary by more than 10% are only permissible to the extent that the capacity can be marketed in the market area with the same financial effect. The limit for reductions applies to capacity of more than 10,000 kWh/h that is reserved for production. To increase the annual booking beyond the capacity that had been agreed as necessary, a system access application pursuant to section 11 must be filed. Increases of existing capacity bookings for durations between one month and two years do not increase the basis from which the maximum annual reduction of a booking is calculated, and system operators do not have to permanently reserve capacity for such booking increases.

(2) The rights and obligations necessary for operation shall be agreed in contracts between the MADAM and the producers of fossil or renewable gas whose facilities are connected at distribution level.

### **Title 3**

#### **Congestion management at transmission level**

##### **Day-ahead UIOLI**

**Section 16.** (1) Renomination pursuant to section 8 para. 3 is permitted up to 90% and down to 10% of the total firm capacity allocated to the balance group or balancing sub-account. Where original nominations were for at least 80% of the firm capacity allocated to the balance group or sub-account, renominations may extend nominations by up to half of the capacity not initially nominated. Where original nominations were for no more than 20% of the firm capacity allocated to the balance group or sub-account, renominations may reduce nominations by up to half of the capacity initially nominated. Acceptable renominations shall be rounded (half away from zero) to whole kilowatt hours per hour. Capacity pursuant to Article 9(5) and (6) Commission Regulation 2017/459 shall be disregarded when calculating these renomination limits.

(2) Should a renomination for firm capacity exceed the limits stated in para. 1 above, it shall be accepted to the extent of the booked capacity. The part of the renomination exceeding the limits shall be treated as a nomination for interruptible capacity and be interrupted first if congestion occurs.

(3) The renomination limits stated in para. 1 do not apply to system users whose average capacity rights during the past 365 days accounted for less than 10% of the technical annual capacity for one direction at the bookable entry/exit point if the following conditions are met. The balance group or sub-account into which the system user's capacity is entered:

1. accounts for less than 10% of the technical annual capacity for the relevant direction at the bookable entry/exit point; and
2. holds no capacity of a system user that does not comply with the first sentence of this paragraph.

Capacity pursuant to Article 9(5) Commission Regulation 2017/459 does not count towards the share of firm capacity booked and/or allocated.

(4) Balance responsible parties may establish balancing sub-accounts. In this case, gas is nominated by the balance responsible party and counted towards the corresponding sub-account; nomination and renomination rules apply mutatis mutandis.

(5) The transmission system operator shall offer any capacity freed by the application of the renomination limits pursuant to paras 1 and 2 above as capacity under Article 9(5) Commission Regulation 2017/459.

(6) Where neighbouring system operators apply similar provisions at cross-border interconnection points, transmission system operators may deviate from the renomination limits pursuant to paras 1 to 3 as well as the second sentence of section 8 para. 5 at such cross-border interconnection points if this is necessary to ensure compatibility with the neighbouring market area. In particular, bundling of capacity



shall not be complicated. Advance notice of any such deviations and the grounds for them shall be given to the regulatory authority.

(7) A system user whose capacity has been offered by the transmission system operator in accordance with para. 5 continues to be obliged to pay the entry or exit charges.

(8) Paras 1 through 7 also apply to contracts concluded before this Ordinance enters into force.

### **Long-term UIOLI**

**Section 17.** (1) System users shall offer fully or partially unused firm capacity as secondary capacity on the booking platform pursuant to Article 37 Commission Regulation 2017/459 without delay or return it to the transmission system operator pursuant to point 2.2.4 of Annex I to Regulation 715/2009 and pursuant to the general terms and conditions for transmission system access.

(2) Following a written notification, transmission system operators shall partially or fully withdraw systematically unused firm booked capacity from a system user and offer it on the primary capacity market if and to the extent that other system users request firm capacity at the relevant interconnection point, there is contractual congestion and the system user has not offered the unused capacity on the booking platform pursuant to Article 37 Commission Regulation 2017/459 or returned it pursuant to para. 1. Booked capacity is considered to be systematically unused if

1. both from 1 April until 30 September and from 1 October until 31 March, the balance responsible party has been using less than on average 80% of the capacity with an effective contract duration of more than one year that is allocated to its balance group or sub-account; or
2. the balance responsible party systematically nominates close to 100% of the capacity allocated to its balance group or sub-account and renominates downwards with a view to circumventing the rules laid down in section 16 para. 1.

If a system user has distributed its booked capacity among several balance groups or sub-accounts, it is the total capacity allocated to these balance groups or sub-accounts that counts when calculating whether the thresholds for systematically unused capacity pursuant to items 1 and 2 are met.

(3) Transmission system operators shall withdraw capacity for the remaining effective contract duration to the extent of the average non-use; where several network users have entered capacity to the same balance group or sub-account, withdrawal shall be proportionate to the capacity entered by each network user.

(4) Capacity shall not be withdrawn under para. 2 above if the system user, within two weeks following written notification of the capacity withdrawal, provides written proof confirming that

1. it has offered the capacity on the secondary market in accordance with para. 1, for a price that is not significantly higher than the original price payable to the transmission system operator for the corresponding primary capacity or has surrendered the capacity to the transmission system operator for the period and extent of non-use; or
2. it still needs all the capacity to meet existing contractual obligations, from gas procurement or supply contracts in particular.

(5) The transmission system operator shall inform the regulatory authority without delay when a situation as described in para. 2 arises, including information about the envisaged extent of capacity withdrawal pursuant to para. 3; if applicable, it shall also submit the proof provided under para. 4.

(6) The system user shall retain its rights and obligations under the capacity contract to the extent the capacity is not reallocated by the transmission system operator as primary capacity. As far as collateral is concerned, the relevant provisions in the general terms and conditions for transmission network access apply.

(7) Transmission system operators shall retain the information as referred to in paras 2 and 3 for each balance group or sub-account, particularly information about the allocated and actually used capacity, for a period of five years and make such information available to the regulatory authority upon request.

## **Title 4**

### **Integrated market area balancing**

#### **Chapter 1**

#### **Principles**

**Section 18.** (1) Integrated market area balancing covers all entries into and exits from the transmission and distribution networks pursuant to section 12 *Gaswirtschaftsgesetz* (Gas Act) 2011.

(2) Section 19 foresees that system users be organised in balance groups. Balance groups net all their members' entries and exits in the market area against each other. Notwithstanding the last sentence in section 26 para. 5, all entries and exits in the market area shall be unequivocally marked as belonging to a system user.

(3) Balance responsible parties shall endeavour to maintain a neutral overall balance group position during the entire balancing period by using appropriate forecasts and taking adequate measures. Balance responsible parties are financially liable for their balance groups towards the single clearing entity.

(4) Market area balancing shall capture all of a balance group' nominated and metered gas quantities, and shall be executed in energy units (kWh). The market area's balancing (measurement) period is the gas day.

(5) The balance groups shall use the virtual trading point to trade and transfer gas between each other. Trading after the end of the balancing period is not admissible.

## **Chapter 2**

### **Balance groups**

#### **Balance group membership**

**Section 19.** (1) The MADAM shall organise the balance groups and assign a unique ID to each balance responsible party and each balance group.

(2) Market participants' membership of balance groups is established either by contracts with a balance responsible party (direct membership) or by contracts with suppliers that are balance group members (indirect membership). Indirect balance group members do not have any direct contractual relationship with the balance responsible party. While system users may be members of several balance groups, a metering point can only belong to one balance group. All balance groups and their direct members shall have access to the market area's virtual trading point. Insofar as balance group members have one or more metering points, balance group membership is established through such metering points.

(3) If direct balance group members intend to

1. conclude contracts with the single clearing entity to supply positive or negative balancing energy pursuant to section 29;
2. make flow commitments towards a transmission system operator or the MADAM; or
3. execute energy trades through an energy exchange or an energy exchange's clearing house,

they shall inform their balance responsible party in due time of their intention. Balance group members may only make or accept offers for such contracts subject to the agreement of their balance responsible party. The balance responsible party may only withhold its agreement if there is reason to believe that a contract would jeopardise the fulfilment of tasks and obligations by the balance responsible party or the direct balance group member. Such reason shall be stated in writing.

(4) Direct balance group members shall support their balance responsible parties in fulfilling their tasks and obligations. This duty to support particularly applies to

1. contributing to forecasting gas entries and exits, as well as submitting the necessary nominations to the balance responsible party;
2. submitting the data that are a crucial prerequisite for the balance responsible party to fulfil the tasks and obligations listed in section 91 *Gaswirtschaftsgesetz* (Gas Act) 2011 to the extent necessary, subject to the provisions of the *Datenschutzgesetz* (Data Protection Act), FLG I no 165/1999;
3. providing the data necessary for preparing the long-term plan and the coordinated network development plan.

#### **Balance responsible parties**

**Section 20.** (1) Where balance responsible parties represent balance group members in executing their tasks and obligations stated in section 91 *Gaswirtschaftsgesetz* (Gas Act) 2011, they act as indirect representatives. Direct representation only applies if such has been agreed in an individual case. Balance responsible parties shall provide the MADAM, the single clearing entity and the system operators with information about the identity of and other data relating to its balance group members to the extent that this is necessary for them to fulfil their tasks and obligations.

(2) Capacity entered into a balance group by balance group members shall be administered by the balance responsible party.

(3) The charges payable by balance group members to the single clearing entity pursuant to section 24, as well as the transaction costs of the operator of the virtual trading point payable to that entity based on the approved general terms and conditions pursuant to section 31 para. 3 Gas Act 2011 shall be paid by the balance responsible party on their behalf, and the balance responsible party shall charge them on to its balance group members in a cost-reflective way.

(4) How exactly these costs are passed on shall be agreed between each balance responsible party and its direct balance group members. All balance group members shall be treated in a non-discriminatory way.

(5) The balance responsible parties' fee for their services shall be agreed between each balance responsible party and its direct balance group members.

## **Chapter 3**

### **Commercial balancing**

#### **Allocation components**

**Section 21.** (1) The single clearing entity shall clear each balance group separately. For this purpose, it shall use in its calculations the following allocation components, expressed as hourly time series per gas day:

1. allocated nominations at the market area's cross-border interconnection points, including those at distribution level;
2. allocated nominations for entry into the market area from storage, and for exit from the market area into storage;
3. allocated nominations for entry from fossil gas production;
4. allocated nominations for the balance group's net trades at the virtual trading point;
5. allocated entries from renewable gas production;
6. allocated exits to final customers.

(2) Quantities under para. 1 items 1 to 3 shall be allocated based on the balance responsible parties' nominations for each hour, and any deviations of actually metered from nominated quantities shall be offset through operational balancing agreements (OBAs) pursuant to section 27. At entry/exit points where no operational balancing agreements are in place, deviations between the quantities nominated and those metered as part of technical network balancing pursuant to section 26 shall be borne by the system operators. The balance responsible parties shall work on the assumption that confirmed nominations equal allocations.

(3) Quantities under para. 1 item 4 shall be allocated based on the balance group's net trades during each hour as submitted by the operator of the virtual trading point.

(4) Quantities under para. 1 item 5 shall be allocated based on the metered entries as submitted by the system operators. Where there is hourly metering, the single clearing entity shall adjust the quantities into equal allocations along the entire gas day.

(5) Concerning final customers with standard load profiles (SLP customers), quantities under para. 1 item 6 shall be allocated as equal quantities along the entire gas day, based on the daily consumption calculated by distribution system operators, taking into account metered temperatures.

(6) Concerning final customers with load meters (LM customers) and contracted capacities of up to 300,000 kWh/h per exit/metering point, quantities under para. 1 item 6 shall be allocated based on the exits metered by system operators. Where there is hourly metering, the single clearing entity shall adjust the quantities into equal allocations along the entire gas day. Notwithstanding this, the single clearing entity shall establish an orderly, transparent procedure by way of which balance responsible parties can request hourly allocations under this paragraph instead of adjusted allocations. Balance responsible parties may request switches between these systems no more than once per year for each final customer.

(7) Concerning LM customers with contracted capacities of more than 300,000 kWh/h per exit/metering point, quantities under para. 1 item 6 shall be allocated based on the exits metered by system operators. The metered hourly quantities shall be used as allocations for the purpose of balancing.

#### **Daily imbalance price**

**Section 22.** (1) Balance responsible parties shall pay the daily imbalance price for their daily imbalance as calculated from the allocation components under section 21 para. 1 and in accordance with the procedure laid down in section 24.

(2) For positive daily imbalances, i.e. if a balance group is long, the marginal sell price applies. The marginal sell price is the lower of:

1. the lowest price at which balancing energy for the gas day was sold under section 28 para. 2 item 1; and
2. the CEGHIX reference price for the gas day minus a small adjustment of 3%.

(3) For negative daily imbalances, i.e. if a balance group is short, the marginal buy price applies. The marginal buy price is the higher of:

1. the highest price at which balancing energy for the gas day was bought under section 28 para. 2 item 1; and
2. the CEGHIX reference price for the gas day plus a small adjustment of 3%.

(4) If no CEGHIX reference price is available for a gas day, the last available CEGHIX reference price shall be used to calculate the applicable imbalance price for that day pursuant to paras 2 and 3.

(5) Imbalance prices shall be stated in cent/kWh and rounded away from zero to at least three decimal places.

### Within-day obligations

**Section 23.** (1) In addition to the daily imbalance price under section 22, balance responsible parties shall be subject to within-day obligations (WDOs). They shall pay a WDO fee for their balance groups' hourly imbalances. Within-day obligations only apply on days during which the MADAM had to purchase both positive and negative balancing energy.

(2) The WDO fee under para. 1 shall be based on the differences between a balance group's entries and exits during each hour. As the gas day progresses, these shall be summed up into accrued hourly imbalances, which shall, for each hour, be compared with the group's tolerances. The latter shall amount to 4% of the balance group's allocated consumer exits for that day pursuant to section 21 para. 1 item 6.

(3) The WDO fee applies to the total accrued imbalances beyond the tolerance during a gas day.

(4) The WDO price shall normally correspond to the difference between the weighted average prices at which the MADAM purchased positive and negative balancing energy during that gas day pursuant to section 28(2)(1) and shall be at least zero. WDO prices shall be stated in cent/kWh and rounded away from zero to at least three decimal places.

(5) A balance group's WDO fee is calculated by multiplying the WDO price according to para. 4 by its quantity according to para. 3. The single clearing entity shall ensure that the total WDO fees payable by all balance responsible parties for a gas day do not exceed the total costs for balancing energy that had to be purchased during that day.

(6) The MADAM and the single clearing entity shall evaluate the within-day obligation mechanism each year, paying particular attention to the relevant parameters, and shall submit a corresponding report to the regulatory authority.

### Clearing and settlement

**Section 24.** (1) The single clearing entity shall publish a clearing calendar on its website and shall execute the first and second clearings in accordance with this calendar.

(2) The first clearing shall be executed each month, within three working days after the end of clearing for that month. During this clearing, the balance responsible parties shall be settled for the following fees and charges:

1. the imbalance charge, i.e. the balance group's daily imbalance quantity, resulting from the allocation components pursuant to section 21 para. 1, multiplied by the daily imbalance price for that gas day pursuant to section 22;
2. any WDO fee applicable pursuant to section 23 para. 5;
3. any neutrality charge for balancing applicable pursuant to section 25 para. 1.

(3) The second clearing shall be executed no later than 14 months after the first clearing under para. 2. The second clearing shall serve to correct the results of the first clearing based on any changes to allocations that have resulted from meter readings that are relevant for clearing.

(4) The clearing under para. 2 shall include a clearing fee. The clearing fee itself and the quantities used to calculate and settle it are determined by way of an ordinance issued by the regulatory authority under section 89 *Gaswirtschaftsgesetz* (Gas Act) 2011.

(5) The single clearing entity shall have a risk management system for continually running due diligence checks, and it may require balance responsible parties to deposit appropriate and non-discriminatory amounts of collateral. It shall be possible to quickly re-calculate the necessary amounts of collateral if circumstances or risks change. The type of collateral required shall correspond to market needs.

(6) Mistakes in the allocations may be corrected after clearing has taken place, and for this purpose, the single clearing entity shall have the possibility of retroactive settlement during an appropriate period of time. If this happens, the balance group's entire clearing for the month is revisited. Retroactive settlement may be triggered by the body responsible for notifying the relevant allocation or by the balance responsible party. The single clearing entity may charge a fee that covers the additional efforts it must undertake in this context. The single clearing entity shall send monthly records of all retroactive settlements to the regulatory authority.

(7) The single clearing entity shall lay down the procedures for billing, for payments and for the risk management under para. 5 in accordance with its approved general terms and conditions. The market participants shall be broadly consulted in drawing up these procedures.

#### **Neutrality of the single clearing entity**

**Section 25.** (1) For each market area, the neutrality charge for balancing pursuant to section 24 para. 2 item 3 shall ensure that the single clearing entity does not make any profits or losses from clearing under section 24 paras 2, 3 and 6, from technical network balancing under section 26 or from balancing actions under section 28.

(2) For this purpose, the single clearing entity shall log all expenses and revenues arising from the transactions listed under para. 1 on a dedicated neutrality account in a transparent and easily understandable manner. Apart from an adequate liquidity reserve, the account's position shall be kept as neutral as possible.

(3) Every three months, the single clearing entity shall check whether a neutrality charge is needed and if so, shall determine its amount in cent/kWh for the next quarter. The amount of the neutrality charge shall be published during the month before it applies.

(4) The neutrality charge for balancing under para. 1, payable by each balance group as part of the clearing under section 24, shall reflect its total allocations for a gas day under section 21 para. 1 item 1 insofar as they refer to exits, as well as under section 21 para. 1 item 6.

#### **Technical network balancing**

**Section 26.** (1) The distribution system operators shall ensure that the data to be submitted for technical network balancing under section 32 para. 9 item 10 cover all allocation components listed in the table in point III of annex 2. The market participants shall cooperate towards this end. The distribution system operators and the MADAM may agree that the tasks under paras 1 and 2 be exercised by the MADAM.

(2) In addition to the data under para. 1, the distribution system operators shall submit data on the total exits to final customers in their network area, calculated using the weighted actual calorific value in the network area.

(3) For the distribution systems, the MADAM shall calculate the swings in the operational balancing agreements, applying the "allocated as nominated" principle in line with the table in point III of annex 2, and calculated as the difference between the balance responsible parties' allocated nominations pursuant to section 21 para 1 items 1 to 3 and the actual flows, derived using the actual calorific values. Alternatively, distribution system operators may calculate these swings themselves. In this case, they shall inform the MADAM and shall ensure themselves that the pertinent information obligations are complied with.

(4) For each system operator, the single clearing entity shall calculate the following daily clearing elements:

1. the difference between the total exits to final customers in the network area as calculated with the weighted actual calorific value pursuant to para 2 and as calculated with the applicable default calorific value pursuant to point IV in annex 2;
2. the gas unaccounted for, resulting from the allocation components pursuant to para. 1, taking into account any differences from the application of default vs actual calorific values under item 1.

(5) Each system operator shall establish a dedicated technical balance group for the purposes of technical network balancing. System operators shall nominate balance responsible parties for these balance groups. Technical balance groups may not contain metering points of final customers. The only exception to this rule are exits allocated to final customers that arise from system use without the metering point being part of a balance group, because such exits are part of the gas unaccounted for under para. 4 item 2.

(6) Balance responsible parties of balance groups under para. 5 above, of the MADAM's balance group dedicated to executing plans of action under section 25 *Gaswirtschaftsgesetz* (Gas Act) 2011, emergency supply and other operational transports do not require a formal licence. They shall notify the start of their activities to the regulatory authority in advance. To establish the technical balance groups, system operators shall conclude contracts with the single clearing entity which shall contain provisions on the rights and obligations connected with each party's tasks. Should several system operators form a joint technical balance group, the group's balance responsible party shall inform the MADAM of the participating system operators.

(7) Technical balance groups shall be cleared in line with section 24. Their clearing shall cover the elements listed under para 4 items 1 and 2. It shall be updated once the meters of SLP customers have been read.

(8) The applicable price shall be the CEGHIX reference price for the gas day.

(9) Technical balance groups are exempt from paying the WDO fee under section 23, the neutrality charge for balancing under section 25, and the clearing fee under section 24 para. 4. The single clearing entity shall not conduct a due diligence under section 24 para. 5 for technical balance groups.

(10) Own consumption shall be covered by purchasing energy at market prices. System operators shall use the most accurate data available for notifying own consumption. Should meter reading not be economically feasible, this circumstance shall be proven towards the regulatory authority and a calculation methodology for determining own consumption shall be presented. Should construction works create the need for the system operators to empty and refill parts of their systems, the quantities required shall be determined accurately and be reflected in the nominations. In the extraordinary event that losses are caused by pipeline faults or leaks, they shall be estimated or calculated as accurately as possible.

(11) Technical network balancing at transmission level shall lie with the transmission system operators, without the single clearing entity being involved. The transmission system operators shall net the nominations at transmission level for each hour. The transmission system operators and the MADAM shall ensure that these net quantities are taken into consideration in the physical exchanges between the transmission and distribution levels, and that they are offset without undue delay.

(12) Transmission system operators shall provide the single clearing entity and the distribution system operators with all data necessary for technical network balancing at distribution level in line with section 32 para. 5 item 4, in an appropriate format.

## **Chapter 4**

### **Balancing actions**

#### **Linepack**

**Section 27.** (1) Linepack shall be the primary means for balancing the systems in the market area. The interconnection agreements to be concluded under section 67 *Gaswirtschaftsgesetz* (Gas Act) 2011 and contractual agreements between the MADAM and transmission and distribution system operators shall ensure that linepack can be used efficiently.

(2) Based on the hourly data submitted by transmission system operators under section 32 para. 5 item 2 and based on the underlying data submitted by the distribution system operators, the MADAM shall calculate the aggregated linepack available for the market area.

(3) The MADAM shall coordinate with the transmission and distribution system operators and then use the market area linepack pursuant to para. 2 to offset short-term pressure fluctuations and within-day swings in the market area until such time when the balancing energy it has purchased becomes available.

(4) The transmission system operators shall make the maximum possible quantities of transmission-level linepack available to the MADAM while maintaining network integrity. To enable the transmission system operators to execute their calculations, the MADAM shall nominate the hourly quantities of transmission-level linepack it plans to use.

(5) The transmission system operators and the MADAM shall keep adequate records of how much linepack is used. The MADAM and the transmission system operators shall offset their net linepack use and the position of OBA accounts without delay, by way of reciprocal linepack use or by providing positive or negative balancing energy under section 28.

(6) There shall be no separate compensation for the availability and deployment of linepack from interconnection agreements, neither bilaterally between the transmission system operators nor between the

transmission system operators and the distribution system operators, nor from the MADAM or the single clearing entity.

### **Balancing energy procurement**

**Section 28.** (1) If the network cannot be fully balanced with linepack under section 27, the MADAM shall take the balancing actions listed in para. 2, on behalf and for account of the single clearing entity. For this purpose, the MADAM shall each hour project the market area position and shall calculate how much balancing energy will be necessary to prevent disturbances.

(2) The following balancing actions shall be taken, in order of priority:

1. trade in standardised products on the gas exchange at the virtual trading point;
2. procurement of standardised products from the merit order list pursuant to section 29 para. 2 item 1;
3. procurement of flexibility products from the merit order list pursuant to section 29 para. 2 item 2.

Should the first priority action present no offers for the period of time considered relevant by the MADAM or should the MADAM need locational, short-term or load-reducing products to prevent disturbances, it may take the second balancing action in the priority order, and so on.

### **Merit order list**

**Section 29.** (1) The balancing energy providers on the merit order list must technically ensure that upon the MADAM accepting their offer, balancing energy is actually fed into the network or withdrawn from it to the extent, with the load, at the entry/exit point and with the lead time specified in their offer.

(2) Balancing energy providers shall make their positive or negative offers through the online platform provided by the single clearing entity. Offers shall state the ID assigned to the provider's balance group by the MADAM, the hour(s) of the day, the lead time and the capacity for which the offer is made, the energy price offered and the entry/exit/metering point concerned. The offers shall state fixed prices. The offers shall differentiate between:

1. offers for standard products made by each balancing energy provider with a lead time of 30 minutes, a minimum duration of one hour and a minimum size of one MWh/h;
2. block offers made by each balancing energy provider with a lead time to be chosen by the provider and a minimum size of one MWh/h.

(3) Offers shall be made by 16.00 hrs (gate closure) for the following gas day; on days before Saturdays, Sundays and statutory holidays, they shall be made for the time up to and including the next working day. After gate closure, the offers are binding on the providers and cannot be changed or withdrawn anymore. Under exceptional, reasoned circumstances, such as in the case of technical difficulties, of subsequent weekend days and holidays or of insufficient offers, the single clearing entity may postpone gate closure after having informed market participants.

(4) Should the MADAM arrive at the opinion that the available balancing energy offers are insufficient, it shall inform the single clearing entity thereof without delay and state the reasons for its view.

(5) The single clearing entity shall then reopen the market, set a new gate closure time and inform all balancing energy providers. Such information is an invitation to the balancing energy providers to make new offers in addition to those that have become binding in accordance with para. 3 above.

(6) If requested so by the MADAM, the single clearing entity shall keep the market open for new offers around the clock. The single clearing entity shall inform the balancing energy providers of such continuous market opening in advance. In continuous market situations, the offers submitted shall be sent to the MADAM at times set and published by the single clearing entity. Offers submitted up to these times may not be changed or withdrawn afterwards.

(7) The single clearing entity shall separate the offers under para. 2 item 1 into offers for positive and negative balancing energy and sort them by their energy price. Of two offers with the same price, the one for the larger quantity comes first. Of two offers with the same price and quantity, the one received earlier comes first. The single clearing entity shall assign a unique number to each offer.

(8) The single clearing entity shall separate the offers under para. 2 item 2 into offers for positive and negative balancing energy and sort them by their energy price and lead time. Of two offers with the same price, the one with the shorter lead time comes first. Of two offers with the same price and lead time, the one for the larger quantity comes first. Of two offers with the same price, lead time and quantity, the one received earlier comes first. The single clearing entity shall assign a unique number to each offer.

(9) The single clearing entity shall send the merit order list drawn up pursuant to paras 7 and 8 to the MADAM immediately after gate closure. The MADAM shall then accept the providers' offers for positive or negative balancing energy as needed, following the order pursuant to section 28 para. 2 and the merit order list, where applicable. The MADAM may accept offers from the list for at least 1 MWh/h and up to the entire quantity on offer, in discrete steps of 1 MWh/h. For offers under para. 2 item 2, balancing energy providers may exclude the MADAM's right to accept in discrete steps up to the entire quantity on offer.

(10) Should massive congestion of the network or technical disturbances make it impossible for the MADAM to comply with the order of priority in section 28 para. 2, it may take the following balancing actions:

1. Deviating from the sequence of the merit order list when accepting balancing energy offers;
2. Accepting offers for positive and negative balancing energy at the same time if these can be executed at different locations.

(11) If the MADAM deviates from the order of priority, as provided for in para 10, it shall inform the single clearing entity, the balancing energy providers that were skipped and the regulatory authority of its grounds and reasons for doing so within three working days. This information shall be published on the website of the single clearing entity without delay.

(12) The MADAM accepts offers for the balancing energy needed on behalf and for account of the single clearing entity. The MADAM shall ensure that the balancing energy it has procured is actually taken up by the network or can be withdrawn. Acceptance of an offer establishes a contract between the single clearing entity and the provider. Offers shall be accepted in units of one full hour that start at the full hour; a lead time of 30 minutes applies for accepting offers under para. 2 item 1, while the selected lead time applies for offers under para. 2 item 2, for accepting temporal and locational offers at entry/exit points in the distribution area or at online-metered consumer facilities. If the MADAM accepts offers longer in advance and fails to cancel by e-mail when the lead time is reached, acceptance is binding.

(13) Balancing energy offers are accepted by sending an e-mail to the balancing energy provider, to the e-mail address stated on the merit order list. The balancing energy provider must provide a phone number at which a person who is responsible for execution and authorised to enter into contracts can be contacted by the MADAM and the balance responsible party during the entire time of the submitted offer. Such person shall receive the e-mail with the acceptance message in copy at the same time.

(14) The balancing energy purchased by the MADAM shall be recorded in the balance group for balancing energy and in the provider's balance group for the purpose of determining imbalance charges pursuant to section 87 para. 4 *Gaswirtschaftsgesetz* (Gas Act) 2011. The balancing energy provider shall only receive the energy price pursuant to para. 7 for the balancing energy supplied if it has actually triggered the desired effect on the physical status of the network and if this can be verified through its balance group's imbalances. Where this is not the case, the price shall only be paid corresponding to the physical effect that has been realised.

(15) Should there be insufficient balancing energy offers under section 29 para. 2 items 1 and 2, the single clearing entity may introduce market makers. The capacity to be reserved by a market maker shall be fixed by the MADAM. The underlying analyses shall be notified to the regulatory authority before any contracts are concluded. The introduction and management of market makers shall comply with the general terms and conditions of the single clearing entity.

#### **Qualification for participation in the merit order list**

**Section 30.** (1) Balance group members that have registered as balancing energy providers for the merit order list in line with the prerequisites laid down in the general terms and conditions of the single clearing entity may offer balancing energy pursuant to section 28 para. 2 items 2 and 3, subject to the agreement of their balance responsible party in accordance with section 19 para. 3. The balance responsible party shall not withhold its agreement unless there are compelling reasons.

(2) If the balance group members that intend to participate in the merit order list pursuant to section 28 para. 2 item 3 are final customers with contracted capacities of more than 10,000 kWh/h, the balance responsible party shall conclude an agreement with them on how to handle and settle this participation.

(3) As part of the registration process, balance group members must prove that they have at their disposal appropriate flexibility potential such as available gas in storage, at market area entry/exit points or final customers with contracted capacities of more than 10,000 kWh/h whose consumption is metered online and whose data is transmitted to the MADAM online. Balancing energy providers shall inform the single clearing entity about the points at which they will offer balancing energy.



(4) The single clearing entity shall keep an up-to-date list of registered balancing energy providers and send it to the MADAM after each update.

(5) Balancing energy providers may start offering balancing energy in accordance with para. 1 only after they have been registered with the single clearing entity and once the MADAM has noted at which points balancing energy will be offered.

#### **Curtailement of balance groups**

**Section 31.** Should the balancing actions under section 28 be insufficient to safeguard network stability, the MADAM may change the nominations of balance groups that jeopardise the stability of the network by

1. imbalanced preliminary net positions projected for the end of the gas day under section 33 para. 2; and
2. imbalanced net positions at the end of the gas day that can be projected using the large consumer schedules pursuant to section 32 para 3 item 5.

## **Chapter 5**

### **Information provision and transparency**

#### **Information and data exchange among market participants**

**Section 32.** (1) Market participants shall fulfil their information provision obligations in a timely manner.

(2) Details about information flows and the relevant rights and obligations incumbent upon market participants shall be laid down as part of the gas market code pursuant to section 22 *Energie-Control-Gesetz* (E-Control Act), as well as any market participants' general terms and conditions provided for by these provisions. The formats and processes specified in section 35 shall be used.

(3) Balance responsible parties shall, without limitations, provide hourly time series with the following data for each of their balance groups:

1. the entry and exit nominations at each entry/exit point, to be sent to the transmission system operator, and at each distribution-level market area entry/exit point, to be sent to the MADAM;
2. the storage nominations, to be sent to the storage system operator;
3. the entry nominations from fossil gas production, to be sent to the producer;
4. the trade nominations, to be sent to the operator of the virtual trading point;
5. the large consumer schedules for final customers with contracted capacities of more than 50,000 kWh/h per metering point, to be sent to the MADAM. As these are primarily needed for system operation, one schedule per large consumer shall be submitted.

(4) Suppliers shall, without limitations, provide the following data:

1. the consumption forecast for their SLP customers, taking into consideration para. 10 item 4;
2. the consumption forecast for their LM customers, both as overall schedules and as hourly time series, to be sent to the balance responsible parties in due time.

(5) Transmission system operators shall, without limitations, provide the following data:

1. each balance group's entry and exit allocations at each transmission-level entry/exit point, as hourly time series, to be sent to the single clearing entity and the MADAM, unless otherwise provided for in section 46 para. 5;
2. the transmission linepack available for use in the market area during each hour pursuant to section 27 para. 4, to be sent to the MADAM;
3. all relevant daily capacity information at the market area's entry/exit points, to be sent to the MADAM;
4. all information relevant for technical network balancing under section 26, in the granularity necessary, to be sent to the adjacent distribution system operators and to the MADAM, as well as the single clearing entity, as far as necessary, unless otherwise provided for in section 46 para. 5;
5. the metered calorific values for each hour, in the granularity necessary, to be sent to the MADAM continually, for the purposes of continuous simulation and interpretation of calorific values pursuant to para. 10 item 6;

6. for the injection of renewable gas at transmission level and for exits from the transmission network towards final customers, the transmission system operators shall be subject, mutatis mutandis, to the distribution system operators' obligation to submit preliminary allocations pursuant to para. 9 item 3, to update allocations on a daily basis pursuant to para. 9 item 5, and to submit data relevant for clearing on a monthly basis pursuant to para. 9 item 6.
- (6) Storage system operators shall, without limitations, provide the following data:
  1. each balance group's entry and exit allocations, as hourly time series, to be sent to the single clearing entity and the MADAM, unless otherwise provided for in section 46 para. 5;
  2. the total allocated storage entries and exits, as aggregated hourly time series, to be sent to the MADAM for storage sites connected at distribution level and to the transmission system operators for storage sites connected at transmission level;
  3. the gas quantities injected and withdrawn each day, and the daily available capacity and working gas volume, to be sent to the MADAM;
  4. together with the distribution system operator, the data relating to calorific values metered for storage entries and exits, for the purpose of continuous simulation and interpretation of calorific values pursuant to para. 10 item 6, in the necessary granularity, to be sent to the MADAM.
- (7) Producers of fossil gas shall, without limitations, provide the following data:
  1. each balance group's allocated production quantities, as hourly time series, to be sent to the single clearing entity and the MADAM, unless otherwise provided for in section 46 para. 5;
  2. the total allocated production quantities at each production entry point, as aggregated hourly time series, to be sent to the MADAM;
  3. together with the distribution system operator, the data relating to calorific values metered for entries from production, for the purpose of continuous simulation and interpretation of calorific values pursuant to para. 10 item 6, in the necessary granularity, to be sent to the MADAM.
- (8) The operator of the virtual trading point shall, without limitations, send each balance group's net allocated trade quantities at the virtual trading point, as hourly time series, to the MADAM, unless otherwise provided for in section 46 para. 5.
- (9) Distribution system operators shall, without limitations, provide the following data:
  1. information about the standard load profiles assigned to the final customers in a balance group, to be sent to the group's balance responsible party if it so requests;
  2. the underlying data needed for the SLP consumption forecasts in accordance with section 36 and those needed to allocate consumption to SLP customers, to be sent to the MADAM so that it can draw up the SLP consumption forecasts;
  3. the preliminary metered allocations of LM customers and contracted capacities of more than 10,000 kWh/h, for the hours of the gas day so far, as aggregated hourly time series per supplier, to be sent each hour to the MADAM and the supplier;
  4. the preliminary metered allocations of LM customers whose meters are read online, as hourly time series per metering point, indicating the supplier, to be sent without delay to the MADAM and the supplier;
  5. the updated allocations of LM customers, aggregated into hourly time series per supplier, to be sent each day to the single clearing entity and the MADAM, and aggregated into hourly time series per metering point, to be sent each day to the supplier, unless otherwise provided for in section 46(5). Such values shall also be submitted to consumers if they request so;
  6. the metered allocations of LM customers that are relevant for clearing under section 24 para. 2, including all allocations up to the end of clearing for a month, aggregated into hourly time series per supplier, to be sent each month to the single clearing entity and the MADAM, and aggregated into hourly time series per metering point, to be sent each month to the supplier, unless otherwise provided for in section 46 para. 5. Such values shall also be submitted to final customers if they request so;
  7. the calculated allocations of SLP customers that are relevant for clearing under section 24 para. 2, including all allocations up to the end of clearing for a month, aggregated into hourly time series per supplier, to be sent each month to the single clearing entity and the MADAM, unless otherwise provided for in section 46 para. 5;
  8. the final allocations according to items 6 and 7 that are relevant for clearing under section 24 para. 3, including all allocations up to the end of clearing for a month, aggregated into hourly time series

- per supplier, to be sent to the single clearing entity and the MADAM, unless otherwise provided for in section 46 para. 5;
9. for the injection of renewable gas at distribution level, the distribution system operators shall be subject, mutatis mutandis, to the obligations for hourly submission of preliminary allocations pursuant to item 3, daily submission of updated allocations pursuant to item 5, and monthly submission of allocations that are relevant for clearing pursuant to items 7 and 8, unless otherwise provided for in section 46 para. 5;
  10. all information relevant for technical network balancing under section 26, in the granularity necessary, to be sent to the MADAM, the single clearing entity and, as far as necessary, to adjacent distribution system operators, unless otherwise provided for in section 46 para. 5;
  11. all data necessary for the purpose continuous simulation and interpretation of calorific values pursuant to para. 10 item 6, including in particular the calorific values metered in an operator's distribution system, pressure and throughput, geometrical and hydraulic pipeline data, and the topology status, in the necessary granularity, to be sent to the MADAM;
  12. the monthly calorific values that are relevant to clearing, for each calorific value area, to be sent each month to the MADAM.
- (10) The MADAM shall, without limitations, provide the following data:
1. the balancing energy procured pursuant to section 28, to be sent without delay to the single clearing entity;
  2. the list of registered suppliers and their balance groups, and of balance groups and their balance responsible parties, to be sent to the single clearing entity each time there is a change;
  3. each balance group's entry and exit allocations at each distribution-level market area entry/exit point, based on the nominations pursuant to para. 3 item 1, as hourly time series, to be sent to the single clearing entity, unless otherwise provided for in section 46 para. 5;
  4. the SLP consumption forecasts pursuant to section 36, as hourly time series per supplier, to be sent to the balance responsible party and the supplier;
  5. the approximate calculations of preliminary metered allocations of LM customers and contracted capacities of up to 10,000 kWh/h for the hours of the gas day so far, as aggregated hourly time series per supplier, to be provided to the supplier;
  6. the continuous simulation of actual calorific values at grid level 1 pursuant to annex 1 to the *Gaswirtschaftsgesetz* (Gas Act) 2011, considering all available metered entries, exits, calorific values, pressure and throughput values, geometrical and hydraulic pipeline data, and the topology status, to be sent to the distribution system operators, and a comparison of the results of such simulation with the reference values provided by the distribution system operators, including an interpretation of the results pursuant to point IV in annex 2, in the necessary granularity, to be sent to the distribution system operators.
  7. the updated calculated allocations of SLP customers, aggregated per supplier, as hourly time series to be provided each day to the supplier and the single clearing entity, unless otherwise provided for in section 46 para. 5;
  8. the nominations for the internal interconnection points between the transmission and the distribution areas, to be sent to the transmission system operators;
- (11) Information provision by the single clearing entity shall include, without limitations:
1. the standard load profiles, to be sent to the distribution system operators and the MADAM;
  2. the allocation data and net quantities, aggregated per balance group, as needed by the MADAM for providing information under sections 33 and 34, to be sent each day to the MADAM, unless otherwise provided for in section 46 para. 5. The single clearing entity and the MADAM shall coordinate and make this data provision as efficient and user-friendly as possible;
  3. the imbalance prices pursuant to section 22, the WDO fee pursuant to section 23, and the amount of the neutrality charge for balancing and the position of the neutrality account pursuant to section 23, all for the previous gas day, to be sent each day to the MADAM.
- (12) Direct balance group members shall, without limitations, submit the data specified in section 19 para. 4 item 1.

### **Balance group position**

**Section 33.** (1) The MADAM shall provide the balance responsible parties with information about their balance group's position through a web-based platform. This shall include information about the quantities for all elements of the first and second clearings pursuant to section 24. Synergies between this

information provision obligation and the rules under section 34 shall be exploited to the greatest extent possible. The different quality of the data shall be clearly marked. The information under this paragraph shall also be provided to suppliers.

(2) Preliminary information about the balance groups' projected position at the end of the gas day shall be made available each hour. It shall be based on:

1. the balance group's allocated nominations pursuant to section 21 para. 1 items 1 to 4, which shall in turn be derived from the allocations pursuant to section 32 para. 5 item 1, para. 6 item 1, para. 7 item 1, para. 8, and para. 10 item 3;
2. the balance group's entries from renewable gas production and exits towards consumers pursuant to section 21 para. 1 items 5 and 6, each based on preliminary allocations pursuant to section 32 para. 5 item 6 and para. 9 items 3, 4 and 9;
3. the balance group's preliminary calculated approximate allocations of exits towards consumers pursuant to section 32 para. 10 item 5;
4. the balance group's SLP consumption forecast pursuant to section 32 para. 10 item 4.

(3) The information about the balance group position for a gas day shall be updated on the basis of updated allocations and be made available on the following day. It shall be based on:

1. the balance group's allocated nominations pursuant to para. 2 item 1;
2. the balance group's entries from renewable gas production and exits towards final customers pursuant to section 21 para. 1 items 5 and 6, each based on updated allocations pursuant to section 32 para. 5 item 6, para. 9 items 5 and 9, and para. 10 item 7.

(4) Information about the balance group position on a gas day that is relevant for the first clearing pursuant to section 24 para. 2 shall be made available after the end of the month and once the relevant allocations are known. It shall be based on:

1. the balance group's allocated nominations pursuant to para. 2 item 1;
2. the balance group's entries from renewable gas production and exits towards final customers pursuant to section 21 para. 1 items 5 and 6, each based on updated allocations pursuant to section 32 para. 5 item 6 and para. 9 items 6, 7 and 9.

(5) Information about the balance group position on a particular gas day that is relevant for the second clearing pursuant to section 24 para. 3 shall be made available as indicated in the clearing calendar and once the final allocations pursuant to para. 9 item 8 are known. Any corrections under section 24 para. 6 shall be taken into account.

(6) In addition to publishing the information on the web-based platform pursuant to paras 1 to 5, the MADAM shall provide it to the balance responsible parties and suppliers electronically, by way of an automated process, if they so request. Section 35 applies *mutatis mutandis*.

### **Market area position**

**Section 34.** (1) The MADAM shall publish aggregated information about the market area position on a web-based platform. This shall include, without limitations:

1. the balancing energy quantities and the prices relevant for the balancing actions under section 28, to be published without delay;
2. the imbalance prices pursuant to section 22, the WDO fee pursuant to section 23, and the amount of the neutrality charge for balancing and the position of the neutrality account pursuant to section 25, to be published each day for the previous day;
3. the aggregated available linepack available for the market area, and the actual linepack as compared to the linepack limits defined by the MADAM pursuant to section 27, to be published each hour;
4. the market area position, as aggregate of the information pursuant to section 33 para. 2, to be published each hour;
5. the aggregated allocated consumption in the market area, separately for SLP customers, for final customers with contracted capacities up to 300,000 kWh/h per exit/metering point, and for final customers with contracted capacities beyond 300,000 kWh/h per exit/metering point, to be published each day. The published data shall be corrected once updated allocations or allocations used for clearing become available. In the case of allocations for SLP customers, the difference between the allocations pursuant to section 32 para. 9 items 7 and 8 shall be published per system operator and per SLP type and for each day;

6. all relevant capacity information at market area entry/exit points pursuant to section 32 para. 5 items 3, to be published for the previous gas day;
7. the storage data pursuant to section 32 para. 6 item 3, to be published for the previous gas day;
8. the list of registered balance groups and their balance responsible parties;
9. the monthly calorific values that are used in clearing, for each calorific value area.

(2) In addition to publishing the data on the web-based platform pursuant to para. 1, the MADAM shall provide an interface that enables automated access to this data and its efficient processing using standard software.

#### **Formats for data exchange and nominations**

**Section 35.** (1) Data and nominations shall be recorded and transmitted using the format and channels laid down in the gas market code or in Commission Regulation 703/2015.

(2) In addition to the format listed in para. 1, information may be exchanged through a web-based platform.

(3) Nominations generally have hourly granularity and are exchanged between balance responsible parties and their contract partners with a lead time of at least one hour. As an exception from this rule, the lead time for renominations at transmission-level entry/exit points is two hours.

(4) The smallest unit for nominations between the market participants in the market area is 1 kWh. Nominations must be given in integral numbers. Numbers shall be rounded away from zero.

(5) If corresponding nominations do not match, the lower value nominated shall apply (“lesser rule”).

(6) Where data are to be exchanged online, such exchange shall respect specifications to be agreed between the involved market participants.

#### **Standard load profiles**

**Section 36.** (1) The MADAM and the distribution system operators shall cooperate to draw up SLP consumption forecasts in line with section 32 para. 9 item 2. They shall use the standard load profiles submitted by the single clearing entity pursuant to section 32 para. 11 item 1 and adequate temperature forecasts.

(2) SLP consumption forecasts shall be submitted as hourly time series in line with section 32 para. 10 item 4 by 12.00 hrs for the following gas day.

(3) Recent temperature forecasts shall be used to update SLP consumption forecasts three times per gas day before 24.00 hrs, with the first such update taking place before 12.00 hrs on the gas day.

### **Title 5**

#### **Licensing of balance responsible parties**

##### **Licensing of balance responsible parties**

**Section 37.** (1) The MADAM shall organise the balance groups and assign a unique ID to each balance responsible party and each balance group; these IDs must be mentioned in all communications between the contract parties, including in all data transfers.

(2) The MADAM shall conclude contracts with the balance responsible parties based on its approved general terms and conditions. In addition, the MADAM shall conclude contracts on behalf and for account of the operator of the virtual trading point and of the single clearing entity with the balance responsible parties based on the approved general terms and conditions. The operator of the virtual trading point and the single clearing entity shall authorise the MADAM to conclude contracts on their behalf and for their account.

(3) The MADAM shall inform the parties on whose behalf it acts about the conclusion of contracts. If all conditions are fulfilled, the MADAM is authorised to conclude contracts with balance responsible parties.

(4) Within five working days of receiving a complete application and the due diligence pursuant to para. 7 having been concluded, the MADAM shall submit a contract offer to the applicant.

(5) The MADAM shall offer contract conclusion pursuant to para. 2 on the online platform. The necessary information and the pertaining documents shall be available through the online platform as well.

(6) For a balance responsible party to receive a licence, the single clearing entity must have conducted a due diligence pursuant to section 24 para. 5 and the balance responsible party must have paid any necessary collateral.

(7) Before taking up activities, balance responsible parties shall prove to their contract partners that they can execute data exchange and nomination procedures in accordance with the defined formats, interfaces, communication channels, security standards and contents at all times. For this purpose, the MADAM shall coordinate a dry run with the relevant contract partners in the market area.

(8) Once all necessary contracts and documents are available and all conditions pursuant to para. 6 have been met, the MADAM shall inform the regulatory authority in writing that the prerequisites for taking up activities as a balance responsible party are fulfilled.

(9) If any of the contracts to be concluded by the balance responsible party under para. 2 becomes ineffective, section 94 *Gaswirtschaftsgesetz* (Gas Act) 2011 provides that the conditions for exercising the activity of a balance responsible party are no longer fulfilled. In such case, the relevant contract partner shall inform the regulatory authority, the single clearing entity, the MADAM and the operator of the virtual trading point without delay.

(10) Suppliers shall register with the MADAM and shall keep their balance group affiliation up-to-date.

## **Title 6**

### **Rules for Tyrol and Vorarlberg**

#### **Principles**

**Section 38.** (1) With respect to partial or full supply of customers in the Tyrol and Vorarlberg market areas, to entries and exits at cross-border interconnection points and to cross-border balancing, operation and cooperation with the adjacent market areas shall be kept simple and straightforward.

(2) The single clearing entity and the MADAM shall conclude the contracts necessary to implement the stipulations under this Title with the system operators and the market area managers of the adjacent market areas.

(3) Unless specifically stated otherwise under this Title, sections 1 through 37 apply *mutatis mutandis* for the Tyrol and Vorarlberg market areas.

#### **System access and capacity management**

**Section 39.** (1) Unless this Ordinance specifically states otherwise, the provisions for transmission system operators under sections 4 to 10 do not apply in the Tyrol and Vorarlberg market areas.

(2) Section 13 paras 1 and 2 do not apply in the Tyrol and Vorarlberg market areas. Instead, the MADAM shall book the capacity resulting from the procedure conducted under para. 4 below at the individual exit points from the adjacent upstream market area to the distribution systems in the Tyrol and Vorarlberg market areas.

(3) There shall be no capacity management and no congestion management at balance group level at the cross-border interconnection points between the adjacent upstream systems on the one hand and the distribution systems in the Tyrol and Vorarlberg market areas on the other.

(4) Heeding the principles of economic efficiency and security of supply, the MADAM shall each year conduct a non-discriminatory, transparent procedure to determine the entry capacity needed over a five-year period at each entry point from the adjacent upstream market area into the Tyrol and Vorarlberg market areas and pursuant to section 13 para. 3. Capacity bookings pursuant to para. 2 above shall be based on the results of such procedures.

#### **Balancing**

**Section 40.** (1) For the Tyrol and Vorarlberg market areas, integrated market area balancing pursuant to section 18 para. 1 covers the distribution systems in each of these market areas.

(2) All balance groups and their direct members shall have access to the virtual trading point of the adjacent upstream market area. For this purpose, balance responsible parties shall name one balance group or balancing sub-account in the adjacent upstream market area that corresponds to their balance group in the Tyrol or Vorarlberg market areas.

(3) The balance responsible parties cause the gas assigned to their balance groups to supply consumers in the Tyrol or Vorarlberg market areas and for exits at cross-border interconnection points to be transferred

from their corresponding balance group or balancing sub-account into the single clearing entity's balance group at the virtual trading point in the adjacent upstream market area, in accordance with the consumption forecasts pursuant to section 32 para. 4 items 1 and 2 and to the extent recorded in each balance group's nominations for distribution-level cross-border interconnection points minus its planned injections of renewable gases. In addition, the MADAM shall be notified upfront about the quantities of gas that need to be transferred at the virtual trading point of the adjacent upstream market area.

(4) The transfer of gas from balance responsible parties to the balance group of the single clearing entity in accordance with para. 3 shall comply with the rules in place at the virtual trading point in the adjacent upstream market area for transferring gas between balance groups by way of nominations.

(5) The MADAM shall cause the gas received from the balance responsible parties in accordance with para. 3 to be transported into the Tyrol or Vorarlberg market areas, while the risk for these operations shall be borne by the balance responsible parties.

(6) The MADAM shall forecast total consumption in the Tyrol and Vorarlberg market areas and consider nominations for distribution-level cross-border interconnection points and planned renewable gas injection, and shall nominate the corresponding exits with the adjacent upstream system operators. In doing so, it shall also take into account any balancing energy procured or sold under section 28 para 2 item 1 in conjunction with section 42 para. 3.

(7) Notwithstanding section 18 para. 5, trading or transferring gas between balance groups in the Tyrol and Vorarlberg market areas shall take place at the virtual trading point in the adjacent upstream market area exclusively.

### Commercial balancing

**Section 41.** (1) The allocation components expressed in hourly time series per gas day pursuant to section 21 para. 1 are adjusted as follows for the Tyrol and Vorarlberg market areas:

1. net trades at the virtual trading point according to section 21 para. 1 item 4 shall be disregarded;
2. in addition to the items listed in section 21 para. 1, the quantities of gas transferred into the single clearing entity's balance group at the virtual trading point of the adjacent upstream market area pursuant to section 40 para. 3 shall be taken into account.

(2) Notwithstanding section 22 para. 1, the daily imbalance of balance groups in Tyrol or Vorarlberg that is then used for clearing and settlement in accordance with section 24 is calculated from the adjusted allocation components as described in para. 1. The relevant gas quantities for these calculations are the net totals across the two market areas.

(3) For positive daily imbalances, i.e. if the market area is long, the marginal sell price applies. The marginal sell price is the lower of:

1. the lowest price at which balancing energy for the gas day was sold under section 43 para. 2; and
2. the weighted price index published for the gas day by the gas exchange at the virtual trading point in the upstream market area minus a small adjustment of 3%.

(4) For negative daily imbalances, i.e. if the market area is short, the marginal buy price applies. The marginal buy price is the higher of:

1. the highest price at which balancing energy for the gas day was bought under section 43 para. 2; and
2. the weighted spot price index published for the gas day by the gas exchange at the virtual trading point in the upstream market area plus a small adjustment of 3%.

(5) The tolerances applied to the calculation of WDOs under section 23 para. 2 for the Tyrol and Vorarlberg market areas amount to 4%. The relevant gas quantities for the WDO calculations in accordance with para. 1 are the net totals across the two market areas.

(6) The provisions of section 25 on the neutrality of the single clearing entity apply mutatis mutandis to the Tyrol and Vorarlberg market areas. However, the relevant amounts for this purpose are the net totals across the two market areas. In addition to the elements addressed in section 25 para. 1, the neutrality charge for balancing shall also offset any costs or revenues related to financial settlement of an OBA account's imbalances that exceed the tolerance levels specified in accordance with section 42 para. 1.

(7) Notwithstanding section 26 para. 8, the weighted spot price index published for the gas day by the gas exchange at the virtual trading point in the upstream market area shall be used to clear technical balance groups.

### Interconnection agreements

**Section 42.** (1) The distribution system operators in the Tyrol and Vorarlberg market areas shall coordinate with the MADAM and conclude interconnection agreements with the adjoining system operators, taking into consideration the requirements set in section 67 *Gaswirtschaftsgesetz* (Gas Act) 2011. Such agreements shall foresee the creation of operational balancing accounts (OBA accounts) to facilitate handling of differences between nominated and metered quantities between the distribution system operators in the Tyrol and Vorarlberg market areas and the adjacent system operators in line with technical requirements and possibilities. The agreements may also foresee appropriate penalties for exceeding the account limits.

(2) The distribution system operators shall operate the cross-border interconnection points in line with the specifications made by the MADAM.

(3) The MADAM may coordinate with the system operators adjacent to the Tyrol and Vorarlberg market areas regarding the mutual provision of linepack with the aim of financially optimising the deployment of balancing energy on both sides. The interconnection agreements concluded by the distribution system operators in the Tyrol and Vorarlberg market areas pursuant to para. 1 shall include provisions that enable the MADAM to undertake such coordination.

(4) The MADAM shall calculate the position of the OBA accounts and ensure that their limits are respected. For this purpose, the distribution system operators in the Tyrol and Vorarlberg market areas shall provide the MADAM with the readings from all entry and exit points to and from their market areas online.

(5) The single clearing entity shall keep records, in dedicated accounts, of the linepack that the adjacent networks and the distribution systems in the Tyrol and Vorarlberg market areas have provided to each other, corresponding to the quantities registered in the OBA accounts.

(6) The distribution system operators shall pass the charges for exceeding the limits of the OBA accounts pursuant to para. 1 on to the single clearing entity, enclosing proof of the excess situation. The single clearing entity in turn shall include these payments in the neutrality charge pursuant to section 25 para. 1.

(7) The rights and obligations necessary for the implementation of the deployment of linepack shall be laid down in contracts between the MADAM and the distribution system operators in the Tyrol and Vorarlberg market areas.

### Balancing actions

**Section 43.** (1) Linepack, as described in section 27 and considering the provisions in section 42, is the primary means of physically balancing the network in the Tyrol and Vorarlberg market areas.

(2) If the linepack available under para. 1 is not sufficient to safely and securely operate the distribution area, the MADAM shall each hour calculate the actual and projected distribution area position and shall procure the necessary balancing energy in the form of standardised products as described in section 28 para. 2 item 1 from the gas exchange at the virtual trading point in the upstream market area on behalf and for account of the single clearing entity. It shall endeavour to keep the hourly and accrued deviations of the readings at cross-border interconnection points from the amounts transferred by the balance responsible parties pursuant to section 40 para. 3 within the limits of the OBA accounts agreed under section 42 para. 1. Where necessary, the MADAM may request that the single clearing entity draw up a merit order list pursuant to section 28.

(3) The provisions on the merit order list from section 29 apply *mutatis mutandis*. Notwithstanding this, the lead time for the MADAM to accept offers for balancing energy in Tyrol or Vorarlberg is 180 minutes.

### Information provision and transparency

**Section 44.** In addition to the pieces of information listed under section 33, the MADAM shall take into account the quantities transferred by the balance responsible parties to the single clearing entity under section 40 para. 3 when calculating the balance group position.

### Licensing of balance responsible parties

**Section 45.** (1) The MADAM shall coordinate with the single clearing entity and organise the balance groups and assign an ID to each contract partner and each balance group that is unique throughout the Tyrol and Vorarlberg market areas; these IDs must be mentioned in all communications between the contract parties, including all data transfers. Any IDs that have already been issued continue to be valid.



(2) Notwithstanding section 37 para. 2, concluding a contract with the operator of the virtual trading point is not necessary for balance responsible parties in the Tyrol or Vorarlberg market areas. The provision in section 38 para. 2 is unaffected thereby.

(3) To establish and license balance groups in the adjacent upstream market area, the legal framework and provisions applicable in such market area must be complied with.

## **Title 7**

### **Final provisions**

#### **Transitional provisions**

**Section 46.** (1) The first and second clearing of balance groups and technical balance groups for periods before this Ordinance enters into force shall be executed in line with the provisions in the *Gas-Marktmodell-Verordnung* (Gas Market Model Ordinance) 2012, FLG II no 171/2012. The market participants involved shall keep the pertaining processes and systems up and running for as long as necessary.

(2) Any overhang or shortfall from the settlement of imbalances pursuant to section 87 para. 5 *Gaswirtschaftsgesetz* (Gas Act) 2011 that manifests on 1 October 2021 shall be transferred to the corresponding neutrality account under section 25 para. 2 and section 41 para. 6.

(3) Any and all historical data and information for the period up to 30 September 2021 needed to fulfil the tasks under sections 19, 20, 37 and 45 and for providing historical clearing data and information per balance group through the online platform shall be made available to the MADAM in due time.

(4) All market players pursuant to section 32 shall assist each other and make available any and all information needed by other market players to fulfil their duties under this Ordinance.

(5) Within one month after the single clearing entity has been legally nominated under section 170a para. 1 Gas Act 2011, in the interest of simplicity and expediency, it may coordinate with the MADAM and decide that allocation data under section 32 be made available and be processed as follows, notwithstanding the provisions in section 32:

1. the allocation data under section 32 para. 5 items 1 and 4, para. 6 item 1, para. 8, and para. 9 items 5 to 10 are sent to the MADAM only;
2. the MADAM does not send the allocation data under section 32 para. 10 items 3 and 7 to the single clearing entity;
3. the single clearing entity does not send the MADAM the allocation data and net quantities, aggregated per balance group, as needed by the MADAM for providing information under sections 33 and 34, as provided for in section 32 para. 11 item 2;
4. the MADAM grants the single clearing entity direct access to all allocation data pursuant to section 32 and all net balance group totals calculated by the MADAM therefrom, and the single clearing entity uses these data for the first and second clearing of balance groups under section 24, for technical network balancing under section 26, and for risk management under section 24 para. 5. The MADAM and the single clearing entity shall cooperate to ensure the single clearing entity's efficient real-time access to the data. The MADAM shall be responsible for the allocation data pursuant to section 32 being displayed correctly, for the correctness of the net totals calculated on the basis of these data, and for data security.

Details about these information flows and the relevant rights and obligations incumbent upon market participants shall be laid down as part of the gas market code pursuant to section 22 *Energie-Control-Gesetz* (E-Control Act), as well as any market participants' general terms and conditions provided for by these provisions. The MADAM shall support the single clearing entity in fulfilling this duty to the best of its abilities.

#### **Entry into force**

**Section 47.** (1) Unless otherwise provided in paras 2 and 3 below, this Ordinance enters into force at the beginning of the gas day on 1 October 2021. At the same time, the *Gas-Marktmodell-Verordnung* (Gas Market Model Ordinance) 2012 ceases to be effective.

(2) If section 2 para. 1 item 13 of the ordinance issued pursuant to section 70 *Gaswirtschaftsgesetz* (Gas Act) 2011 provides for a uniform default calorific value for each market area at the beginning of the gas day on 1 January 2023, section 26 para. 2 item 1 and para. 4 item 1 enter into force at that time. If section 2 para. 1 item 13 of the ordinance issued pursuant to section 70 Gas Act 2011 does not provide for a uniform default calorific value for each market area at the beginning of the gas day on 1 January 2023 but

instead provides for a calorific value for each calorific value area based on actual calorific values, section 32 para. 9 item 12 and section 34 para. 1 item 9 enter into force at that time.

(3) Section 14, section 26 para. 6, and section 46 enter into force at the beginning of the gas day on 1 January 2020. At the same time, section 16 and section 24 para. 2 Gas Market Model Ordinance 2012 cease to be effective.

## Annexes

### Annex 1: System access, system admission and capacity expansion

#### I. System access

1. Final customer system access applications must contain at least the following information:
  - (a) Identification of the facility to be supplied (exact address and customer name);
  - (b) System access start date; where fixed-term contracts have been concluded, start and end date of system access must be stated;
  - (c) Maximum capacity in kWh/h. This is the technical and contractual capacity of the connection, which corresponds to the actual capacity needs of the party entitled to system access;
  - (d) Forecast annual consumption in kWh;
  - (e) Final customer category: household - business (up to 50,000 kWh/h) - industry (above 50,000 kWh/h) - power stations (up to 50,000 kWh/h) - power stations (above 50,000 kWh/h);
  - (f) Purpose of the connection (multiple options possible): space heating - water heating - cooking - processing;
  - (g) Minimum desired and maximum allowed pressure at the desired exit point in bar;
  - (h) Supplier;
  - (i) Metering point reference number at the withdrawal point (where new metering points are concerned, the distribution system operator shall assign a metering point reference number before forwarding the system access application);
  - (j) Where consumption is strictly seasonal, an indication of the months when there will be consumption;
  - (k) A note stating that the system access application is made in accordance with the general terms and conditions of the distribution network.
2. System access applications of injecting parties and storage system operators must contain at least the following information:
  - (a) System access start date; where fixed-term contracts have been concluded, start and end date of system access must be stated;
  - (a) Desired entry point to the distribution system, exact address and name;
  - (c) Maximum capacity in kWh/h. This is the technical and contractual capacity of the connection, which corresponds to the actual capacity needs of the party entitled to system access;
  - (d) Forecast annual injection in kWh;
  - (e) Type of input: biogas - fossil gas from production - storage - hydrogen - synthetic gas;
  - (f) Minimum desired and maximum allowed pressure at the desired entry point in bar;
  - (g) Metering point reference number at the entry point (where new metering points are concerned, the distribution system operator shall assign a metering point reference number before forwarding the system access application);
  - (h) A note stating that the system access application is made in accordance with the general terms and conditions for the distribution network.
3. System access applications for curtailable connections must contain the following information in addition to what is stated under points 1 and 2 above:
  - (a) Actual maximum load during the previous year in kWh/h as indicated in the load profile (where new customers are concerned, the contracted capacity in kWh/h);
  - (b) ID of the online meter;
  - (c) Type and extent of accepted curtailments;
  - (d) Periods of time for and maximum number of curtailments;
  - (e) Maximum uninterrupted duration of curtailments;
  - (f) Maximum total duration of curtailments during a year;

- (g) Maximum hourly load during curtailments (necessary minimum supply).
4. System access contracts for curtailable connections must, in particular, contain the following information:
- (a) The distribution system operator's duty to inform consumers of any curtailments following a request of the MADAM in due time. Such shall be considered to be fulfilled if final customers are informed about curtailments two hours in advance. However, a longer lead time for informing final customers about curtailments may be agreed in coordination with the MADAM;
  - (b) The final customer's agreement to execute the agreed curtailment themselves following a request of the distribution system operator. Where this requirement is not complied with, the distribution system operator may execute the ordered curtailment and charge the related costs to the final customer;
  - (c) A definition of the type and extent of accepted curtailments;
  - (d) Remuneration rules for curtailments pursuant to the ordinance issued in accordance with section 70 *Gaswirtschaftsgesetz* (Gas Act) 2011;
  - (e) Periods of time for and maximum number of curtailments;
  - (f) Contact persons and communication rules for information concerning individual curtailments;
  - (g) Rules for data submission from the distribution system operator to the MADAM;
  - (h) Rules for financial settlement of the system utilisation charge for curtailable connections pursuant to the ordinance issued in accordance with section 70 Gas Act 2011.
5. System access contracts concluded with final customers must contain the following information in addition to what is stated under point 1 above:
- (a) Place for meter installation if no volume corrector is used;
  - (b) Contractual location in m a.s.l. if no volume corrector is used;
  - (c) Conversion factor at the time of contract signature (including information about possible adjustments of this factor pursuant to the ordinance issued in accordance with section 70 Gas Act 2011);
  - (c) Assigned grid level according to section 84 para. 1 Gas Act 2011;
  - (e) Assigned standard load profile, where applicable;
  - (f) Type and identification of the metering devices installed;
  - (g) Rules and regulations for seasonal system access, where applicable.
6. System use that temporarily exceeds contracted exit capacity

The contracted exit capacity may be exceeded in exceptional cases, in particular in case of short-term withdrawal (e.g. for start-up or unexpected needs) which is not reflected in the MADAM's long-term plan because it is no continuous capacity need – this might be made available after coordination and agreement. Excess use is subject to prior agreement of the distribution system operator in each individual case. The distribution system operator shall ask for the approval of the MADAM and give its own agreement only upon receiving such approval. System users may only exceed contracted exit capacity in such individually agreed cases. Anticipating such cases, corresponding conditions may already be laid down in the system access contract; such conditions are likewise subject to the approval of the MADAM. System users shall receive positive or negative answer in reply to their need for temporary excess use of contracted exit capacity within two working days after their written (e.g. e-mail) request has been received.

## II. System admission

1. System admission applications must contain at least the following information:
- (a) Identification of the facility to be supplied (exact address and name);
  - (b) Forecast annual consumption in kWh;
  - (c) If the connection line is to be installed on third party property, name and contact details of that property's owner;
  - (d) Minimum desired and maximum allowed pressure at the desired exit point in bar;
  - (e) Connected capacity in kWh/h.
2. Minimum requirements for building and dismantling connection lines

(1) The distribution system operator shall inform the system user about the type and extent of envisaged property use in due time. Such use shall interfere with the property and buildings thereon as little as possible. In doing so, the legitimate interest of the system user shall be taken into account. The system

user shall inform the distribution system operator about any circumstances on their property which might endanger the distribution system operator's installations.

(2) If the installations unduly interfere with the purpose of the property and the property owner requests that the installations be relocated after they have already been made, presenting a servitude or other written agreement, the distribution system operator shall bear the relocation costs, unless the installations also serve or served to supply that same property.

(3) The distribution system operator may remove its installations from the used properties at any time following the dissolution of the system access contract. The distribution system operator shall remove its installations if such is requested by the property owner, except where there is a servitude or other written agreement or the installations served to supply that same property. The distribution system operator may continue using the property for an appropriate period of time following contract dissolution if such is necessary to maintain local supply. Where this is not the case, the distribution system operator shall remove its installations from the property and conclude works within an appropriate period of time.

(4) If necessary for safety reasons, the distribution system operator may request that the connection line be disconnected from its distribution system after the contract has expired; in such cases, the related costs must be borne by the (former) system user. Where lump sums apply, the amount of the disconnection costs shall correspond to the distribution system operator's price list. To facilitate administrative handling, the distribution system operator may charge a lump sum based on the related total costs. The principle of cost-reflectiveness can be addressed by introducing factual categories (e.g. differentiating types of facilities).

### **III. Capacity expansion**

#### **1. Handling of capacity expansion applications:**

(1) The distribution system operator shall forward any customer application and information about any customers waiving their right to file applications to the MADAM without delay to enable the latter to consider the application or waiver in accordance with the stipulations on long-term planning (section 22 *Gaswirtschaftsgesetz* (Gas Act) 2011).

(2) Capacity expansion applications may only be accepted if the MADAM confirms towards the distribution system operator that the necessary capacity is available, based on the occurrence of the following prerequisites and the conditions connected thereto:

- (a) The long-term plan includes the measures necessary to satisfy the capacity need indicated in the application and this long-term plan has been approved by the regulatory authority;
- (b) The system operators concerned have concluded network expansion contracts for the purpose of realising the measures contained in the long-term plan with the MADAM.

(3) Only after the applicant has duly signed the capacity expansion contract in accordance with the deadline set by the distribution system operator and the MADAM and once it has fulfilled all conditions stated in the capacity expansion contract – such as depositing collateral – within the period prescribed must the distribution system operator and the MADAM accept the application and sign the capacity expansion contract themselves, i.e. only then are the distribution system operator, the upstream system operators and the MADAM obliged to execute the necessary expansion works. If the capacity expansion contract is not duly signed or if the conditions stated in the capacity expansion contract are not fulfilled before the applicable deadlines expire, the capacity expansion contract is void.

(4) The applicant, the MADAM and the distribution system operator may agree to include non-discriminatory and factual conditions for the implementation of the capacity expansion measures in the capacity expansion contract. To offset the risk of the investment caused by an approved capacity expansion application, the capacity expansion contract shall foresee a charge for (partial) non-use of the connected capacity applied for via the capacity expansion contract, beginning with the contractually agreed start of service and to the extent of non-use. In cases of complete non-use of the connection capacity applied for via the capacity expansion contract, the charge shall at least correspond to the system provision charge payable for such connected capacity; in cases of partial non-use, the charge shall be reduced accordingly. The charge shall also be reduced to the extent that the unused capacity is used by third parties. Adequate collateral may be requested to ensure coverage of this charge. If the system user starts using (part of) the applied-for capacity after the contractually agreed start of service, offsetting the system provision charge pursuant to the ordinance issued in accordance with section 70 Gas Act 2011 against the charge paid for (partial) non-use is not admissible.

(5) When accepting a capacity expansion application, the distribution system operator commits to granting the system user access to its distribution system starting on a defined date in the future pursuant to section 27 Gas Act 2011.

(6) After being informed of the final date on which the capacity will be available and no later than ten working days before system use starts, the system user shall file a system access application for new facilities pursuant to section 11 of this Ordinance. The distribution system operator shall expressly alert the system user in the capacity expansion contract to the necessity of filing a system access application. If such application is not filed in due time, transports cannot take place as agreed, without prejudice to the other rights and obligations of the parties to the capacity expansion contract.

## Annex 2: Technical rules<sup>1</sup>

### I. Basics

Technical gas rules and standards:

- The regulations for the gas sector released by the Austrian Association for Gas and Water (OVGW)
- The Austrian ÖNORM standards
- The standards released by the European Committee for Standardisation (CEN)
- The standards released by the European Committee for Electrotechnical Standardization (CENELEC)
- The standards released by the German Institute for Standardisation (DIN)
- The standards released by the International Organization for Standardization (ISO)
- The EN standards

### II. Gas quality

The quality requirements for injecting and transporting gas that are set in the general terms and conditions for the distribution network shall comply with OVGW regulation<sup>1</sup> G 31 *Gasbeschaffenheit* (Gas quality) or G B220 *Regenerative Gase* (Renewable gas) in the version applicable at any one time. The weighted actual calorific value of renewable gas injections shall be notified to the system operator in a format that enables it to fulfil its duties under section 32.

### III. Calorific value and quantities

The calorific value stated in the below table shall be used to calculate any and all entries to and exits from the market area. The actual calorific values are mostly derived from applying the technical methods described in the OVGW regulation G O110 and the ordinance issued pursuant to section 70 *Gaswirtschaftsgesetz* (Gas Act) 2011. The quantities calculated in line with these rules are the quantities that shall be used for clearing and settlement, and for system operation.

#	Allocation component	Transmission network balance	Distribution network balance	Applicable calorific value
1	allocated entries and exits at cross-border interconnection points (transmission and distribution level)	allocated as nominated	metered	actual calorific value at the cross-border interconnection point <i>(deviations recorded in the OBA)</i>
2	allocated entries from and exits to storage	allocated as nominated	metered	actual calorific value at the connection point <i>(deviations recorded in the OBA)</i>
3	allocated entries from and exits to fossil gas production	allocated as nominated	metered	actual calorific value at the connection point <i>(deviations recorded in the OBA)</i>
4	entries from renewable gas production	metered	metered	actual calorific value at the connection point
5	allocated exits to LM consumers	metered	metered	default calorific value based on the ordinance issued pursuant to section 70 Gas Act 2011 as last amended (unless the calorific value is metered)

<sup>1</sup> Please note that the titles, numbers etc. of standards and technical rules referenced here may have changed.

6	allocated exits to SLP consumers	metered (via SLP)	metered (via SLP)	default calorific value based on the ordinance issued pursuant to section 70 Gas Act 2011 as last amended
7	transfers between systems in the market area metered at connection points	metered	metered	actual calorific value at the interconnection point
8	metered own consumption	metered	metered	actual calorific value (metered or projected if available, otherwise weighted calorific value in the network area)
9	non-metered own consumption	calculated	calculated	weighted actual calorific value in the network area
10	linepack swings, calculated as the difference between the gas in the system at the beginning and at the end of the gas day	-	calculated	weighted actual calorific value in the operator's network area

#### IV. Default calorific values for final customers

Determination of the data needed for financial settlement of final customers generally follows the technical methods laid down in OVGW regulation G O110 and the ordinance issued pursuant to section 70 Gas Act 2011.

Volume and calorific value (according to DIN EN ISO 6976 or 13686 fossil gas) for determining the system charges shall be calculated in accordance with the methods following the technical rules. The proper functioning of the calorific value metering equipment shall be verified at the intervals prescribed or recommended by manufacturers. In addition, an independent body shall perform annual checks, the results of whom shall be kept on record for three years.

The ordinance issued pursuant to section 70 *Gaswirtschaftsgesetz* (Gas Act) 2011 and the OVGW regulation G O110 foresee that exits to final customers be cleared and settled based on a uniform calorific value until 31 December 2022. The MADAM shall determine this value for each month by calculating the average across the calorific values of all entries into the market area, weighted by the entered quantities registered pursuant to section 32, and it shall publish this uniform calorific value by the 10th day of the next month. If the calorific value calculated by the MADAM does not deviate from the current calorific value pursuant to the ordinance issued in accordance with section 70 Gas Act 2011 by more than 2%, the latter shall be used to calculate energy quantities.

If the ordinance issued pursuant to section 70 Gas Act 2011 foresees that actual calorific values in accordance with OVGW regulation G O110 apply for clearing and settling exits to final customers from 1 January 2023, these actual values shall be used for settlement, for calculating the system charges, and in all information provided according to this Ordinance. If such actual calorific values are not yet available at the time when preliminary or updated allocations must be provided under section 32, the most recent calorific values that were used to clear and settle the relevant final customer shall exceptionally apply for these situations only. The system operators shall apply transparent and logical measures to validate the applicable calorific values; the MADAM shall coordinate their efforts, in particular at grid level 1. The system operators shall publish on their website a description of their methodology and a representation of the calorific value that applies in each calorific value area during a month, along with historical data, and shall update it monthly.

#### Annex 3: Entry/exit points

All physical entry and exit points to and from the network in the market area shall be considered entry/exit points.

All exit points from the transmission into the distribution network are handled centrally, by the MADAM, and are therefore treated as one exit point. The MADAM shall publish the entry/exit points on the online platform after it has consulted the regulatory authority.