



Open Season Procedure Process Paper – non-binding phase on routes for the transport of gas from the LNG terminal and transport of gas from other sources

Zagreb, January 2016

Open Season Procedure – Non-Binding Phase

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1 Introduction

The company Plinacro d.o.o. is the Croatian national gas transmission system operator (TSO), founded in 2001 and owned by the state. With the gas transmission as its main activity, Plinacro guarantees safe, reliable and quality delivery of natural gas from the entry point in the gas transmission system to the off-take measuring-reduction stations of gas distributors as well as direct and privileged customers. Today, Plinacro operates 2693 km of high-pressure pipelines, 1720 km of which is 50-bar system and 942 km and National Dispatching Centre, a center of remote supervision and managing the entire gas transmission system. Through cooperation with the company LNG Hrvatska d.o.o. and participation in the work of numerous international bodies of the EU in the gas sector, Plinacro supports the development of project for the construction of the terminal for liquified natural gas (LNG) in Omišalj on the island of Krk.

In accordance with the Ten-Year Development Plan of the Gas Transmission System of the Republic of Croatia 2015-2024, Plinacro's plans include the construction of the gas pipeline to enable transport of gas from the LNG terminal on the island of Krk to end users. At the moment, the construction of the LNG terminal on the island of Krk has a great potential among European projects in the gas sector due to its strategic position and the pronounced penetration of the Adriatic Sea into the European mainland, i.e. the vicinity of potential markets.

The project of the LNG terminal on the island of Krk exceeds Croatian needs and the importance of a regional project since it, through the idea of a gas pipeline connection of the Croatian and Polish LNG terminals, i.e. the Baltic – Adriatic concept, grew into a transregional, European project. The commissioning of the terminal is planned for 2019, and the capacity should amount to 4-6 bcm/y.

The importance of the project of the construction of the LNG terminal and the projects of related transport gas pipelines is best confirmed by the fact that they have been included in the PCI (Projects of Common Interest) and CESEC (Central and South Eastern Europe Gas Connectivity) lists as a priority project. These projects will help in achieving the European energy and climate goals and they represent the basis of the EU energy strategy. The construction of these transport pipelines will also enable the transport of gas from other, existing and new potential directions and sources.

The project of the construction of the gas pipeline on the above mentioned main transport route is mainly in the advanced phase of preparatory activities before the construction and obtaining the required location permits. Preliminary designs and environmental impact assessments have mainly been prepared for the pipelines. The development of the project of pipeline construction follows the dynamics of the development of the LNG terminal construction.

2 Description of Open Season Procedure

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For the purpose of obtaining valid input information important for the construction of the gas pipeline on the transport routes for gas from the LNG terminal specified in chapter 2.2.1 Gas transport routes from the LNG terminal on the island of Krk and from other directions, through the planned gas pipelines, Plinacro intends to conduct the Open Season procedure. The aim of this non-binding phase of the Open Season procedure is a precise assessment of market needs for the transport of natural gas on routes for the transport of gas from the LNG terminal and transport from other sources and receiving non-binding offers for the capacity booking. This procedure represents an instrument for assessing market needs recognised by the European Union institutions.

The Open Season procedure is based on the Directive of the European Parliament and of the Council No. 2009/73/EC concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, Regulation of the European Parliament and of the Council No. 715/2009/EC on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No. 1775/2005 and the Transmission System Network Rules (OG 50/09). These regulations ensure the transparency and equal treatment of all participants in the procedure.

The rules have been prepared in line with the Guidelines for Good Practice on Open Season Procedures (GGPOS) issued by the European Regulators Group for Electricity and Gas - ERGEG. Bodies of the European Commission and other stakeholders participated in the preparation of these guidelines. The document prescribes the method and structure of the Open Season procedure as well as cooperation with project stakeholders during the procedure.

For the open season procedure to be carried out in line with the effective GGPOS, Plinacro adopted these Rules as the basis for communication with all relevant stakeholders in the procedure.

2.1 Implementation of the Open Season procedure

The implementation of the Open Season procedure will be structured in a manner agreed with all relevant project stakeholders. The procedure will be implemented in two phases consisting of a number of activities. During the first (non-binding) phase, the demand for the capacities of the pipelines will be assessed and the conditions under which the services can be contracted will be determined. During the second (binding) phase, the available capacities will be offered to potential users.

Only the future gas pipeline users that participated in the non-binding phase of the Open Season procedure will have the opportunity to participate in the binding phase of the Open Season procedure and therefore to contract capacities prior to its construction.

Detailed elaboration process in stages is presented below.

2.1.1 First phase

The first phase of the implementation of the open season procedure will comprise the following activities:

- preparatory activities,
- notice of the intended implementation of the open season procedure,
- submitting non-binding offers by potential gas pipeline users,

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- matching the services offered with market needs.

After receiving non-binding offers, Plinacro will conduct an economic test and make a decision on finally offered gas pipeline capacities on routes for the transport of gas from the LNG terminal and transport from other directions. This activity also includes the allocation of pipeline capacities to future users in accordance with the previously adopted Rules.

2.1.2 Second phase

After the completion of the first phase of the open season procedure implementation, Plinacro will have sufficient information to commence the implementation of the binding phase of the Open Season procedure. The second (binding) phase of the Open Season procedure will comprise the following activities:

- submitting binding offers by future gas pipeline users,
- notice of the allocated gas pipeline capacity,
- concluding a binding agreement on the capacity booking.

2.2 Object of Open Season Procedure

2.2.1 Gas transport routes from the LNG terminal on the island of Krk

The system of transport gas pipelines should enable the transmission of gas on the following routes:

- 1) MAIN ROUTE
Pipeline system Omišalj – Zlobin – Bosiljevo – Sisak - Kozarac
- 2) EASTERN SECTION
Pipeline Kozarac – Slobodnica
 - 2a) Transport route Hungary (supply of HU, UA, SK, RO, BG, SRB)
(Slobodnica - Donji Miholjac – Drávaszerdahely – Varosföld)
 - 2b) Transport route Serbia (supply of SRB, BG, RO)
(Slobodnica – Sotin - Bačko Novo Selo)
 - 2c) Transport route Bosnia and Herzegovina (supply of BiH)
(Slobodnica-Brod-Zenica)
- 3) WESTERN SECTION
Transport route Slovenia (supply of SLO, IT, AT, CZ, HU)
(Kozarac – Lučko – Zabok – Rogatec)

Transport routes for the transport of gas from the LNG terminal and the transport of gas from other sources are presented in figure Fig.2-1.

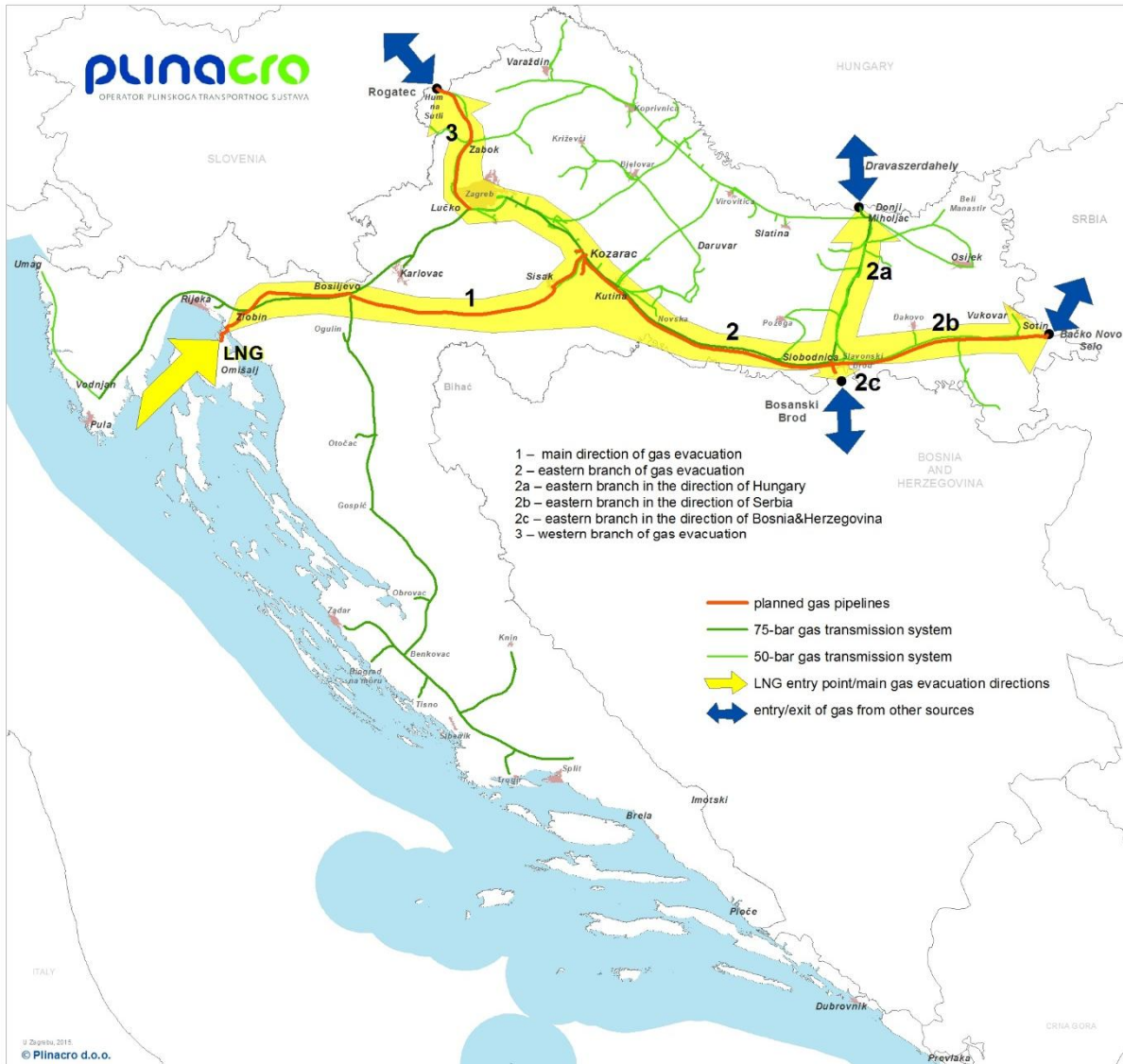


Fig.2-1 Transport routes for gas from the LNG terminal on the island of Krk and other sources in the Croatian gas transmission system (source: Plinacro)

On the main route and on all mentioned sections, a bi-directional gas flow will be possible. In addition to the transport of gas from the LNG terminal toward the markets indicated, this will also enable the transport of gas from other directions and sources.

Information on technical characteristics, pipeline status and the years of commissioning of the planned pipelines presented in tables Tab. 2-1, Tab. 2-2, Tab. 2-5, Tab. 2-7 i Tab. 2-8 are approximates and based on the information available in the planning phase. The final characteristics will be determined on the basis of the actual market interest. The capacity presented in GWh/d is determined on the basis of the above gross calorific value of gas (GCV).

1) MAIN ROUTE

Pipeline system Omišalj – Zlobin – Bosiljevo – Sisak - Kozarac

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The following table presents the main information about the pipeline (Tab. 2-1).

Tab. 2-1 Pipeline on the main route of the transport of gas from the LNG terminal (source: Plinacro)

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Omišalj-Zlobin	18	DN 1000; 40"	100	15 [465,0]	2019
Zlobin - Bosiljevo	58	DN 1000; 40"	100	10 [310,0]	2019
Bosiljevo - Sisak	102	DN 1000; 40"	100	10 [310,0]	2019
Sisak - Kozarac	20	DN 1000; 40"	100	10 [310,0]	2019

Gas trunk line Omišalj – Zlobin represents the initial pipeline for the transport of natural gas from the LNG terminal on the island of Krk and is continued by the pipeline system Zlobin-Bosiljevo-Sisak-Kozarac. In the gas hub Kozarac, the transport system branches into Eastern and Western sections.

2) EASTERN SECTION

Pipeline system Kozarac - Slobodnica and its branches a, b and c, are described below (bi-directional gas flow possible)

Tab. 2-2 Pipeline on the Eastern section of the transport of gas from the LNG terminal (source: Plinacro)

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Kozarac - Slobodnica	128	DN 600, 24"	75	4,5 [139,5]	Existing 2023
		DN 800; 32"	75	6,5 [201,5]	
		TOTAL 11			

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The system comprises the existing pipeline Kozarac – Slobodnica DN 600 of maximum working pressure 75 bars and capacity of 4.5 bcm/y. Given the expected increase in the transport volumes due to the increased needs after the construction of the planned interconnections towards neighbouring countries, the construction of an additional pipeline DN 800 of maximum working pressure 75 bars and capacity of 6.5 bcm/y is planned (see Tab. 2-2).

- a. Hungary branch: via pipeline Slobodnica – Donji Miholjac – Drávaszerdahely - Városföld (HU, UA, SK, RO, BG, SRB)

Tab. 2-3 Croatia - Hungary gas interconnection pipeline (sources: Plinacro, FGSZ)

Pipeline section	Length (km)	Nominal diameter (DN)	Max. Operating pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Slobodnica – Donji Miholjac	73	DN 800; 32"	75	7 [199,5]	Existing
Donji Miholjac – State border	8	DN 800; 32"	75	7 [199,5]	Existing
State border – Drávaszerdahely	8	DN 800; 32"	75	7 [199,5]	Existing
Drávaszerdahely – Városföld	197	DN 800; 32"	75	7 [199,5]	Existing

Existing bi-directional interconnection of Croatian and Hungarian gas transport systems on the route Slobodnica – Donji Miholjac – Drávaszerdahely – Városföld was built and commissioned in 2011 (see Tab. 2-3). It enabled a bi-directional gas flow in amount of 7 bcm/y. As already mentioned before, this route is suitable for transport of gas from other sources (other than LNG terminal). In scope of this project, measurement stations in Donji Miholjac and Drávaszerdahely have been built.

Gas from LNG terminal can be transported via Hungary to Ukraine, Romania, Slovakia, Serbia or even Bulgaria. Figure Fig. 2-2 shows the Hungarian gas system and main data on transport routes and capacities is given in the following table (Tab. 2-4).

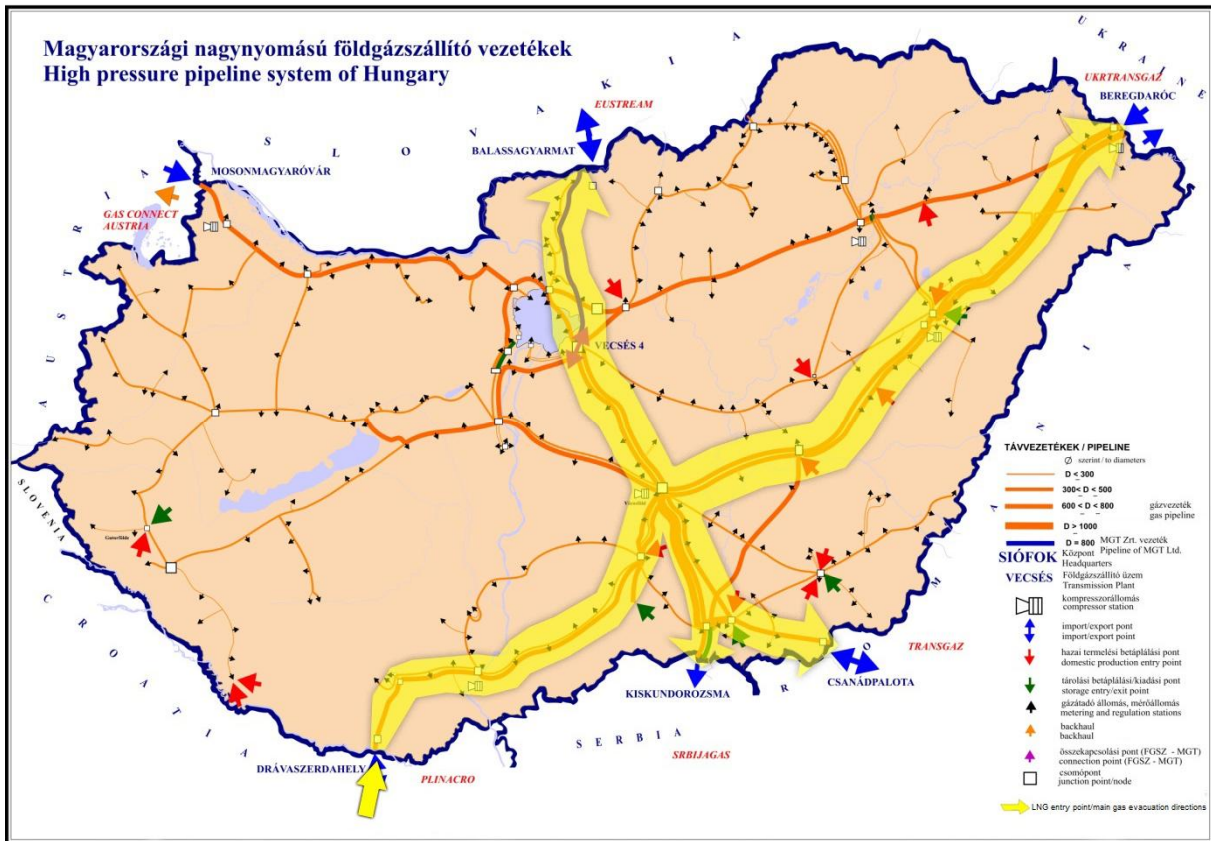


Fig. 2-2 Main LNG terminal gas transportation routes in Hungarian gas system (source: FGSZ)

Tab. 2-4 Interconnection gas pipelines in Hungarian gas system (source: FGSZ)

Pipeline section	Capacity (bcm/y (15°C) [GWh/d] (25/0°C))	Pipeline status /Year of commissioning
Hungary - Ukraine	6,13 [181,0] interruptible	Existing
	6,13 [181,0]	Planned – demand dependent
Hungary - Romania	1,75 [51,6]	Existing
	4,4 [127,55]	Planned – demand dependent
Hungary - Slovakia (using MGT system)	1,75 [50,4]	Existing
Hungary - Serbia	4,82 [142,1]	Existing

- b. branch towards Serbia: pipeline Slobodnica – Sotin - Bačko Novo Selo (SRB, BG, RU)

Tab. 2-5 Interconnection pipeline towards the gas system in Serbia (source: Plinacro)

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Slobodnica - Sotin	97	DN 800; 32"	75	6-7 [186,0-217,0]	2023
Sotin - Bačko Novo Selo	5	DN 800; 32"	75	6-7 [186,0-217,0]	2023

The Croatian and Serbian gas transmission systems are planned to be connected by a new pipeline on the route Slobodnica – Sotin – Bačko Novo Selo (Tab. 2-5). This is one of potential routes for the transport of gas from the LNG terminal to the market of Serbia, but also to the markets of Bulgaria and Romania. This connection is important for the integration and development of the market in Serbia and integration in the European gas market. The pipeline is planned for bi-directional transport, enabling the supply of gas from other sources as well.

Figure Fig.2-3 presents the gas transmission system in Serbia, and the following table presents main information on potential transport routes and capacities (Tab. 2-6).

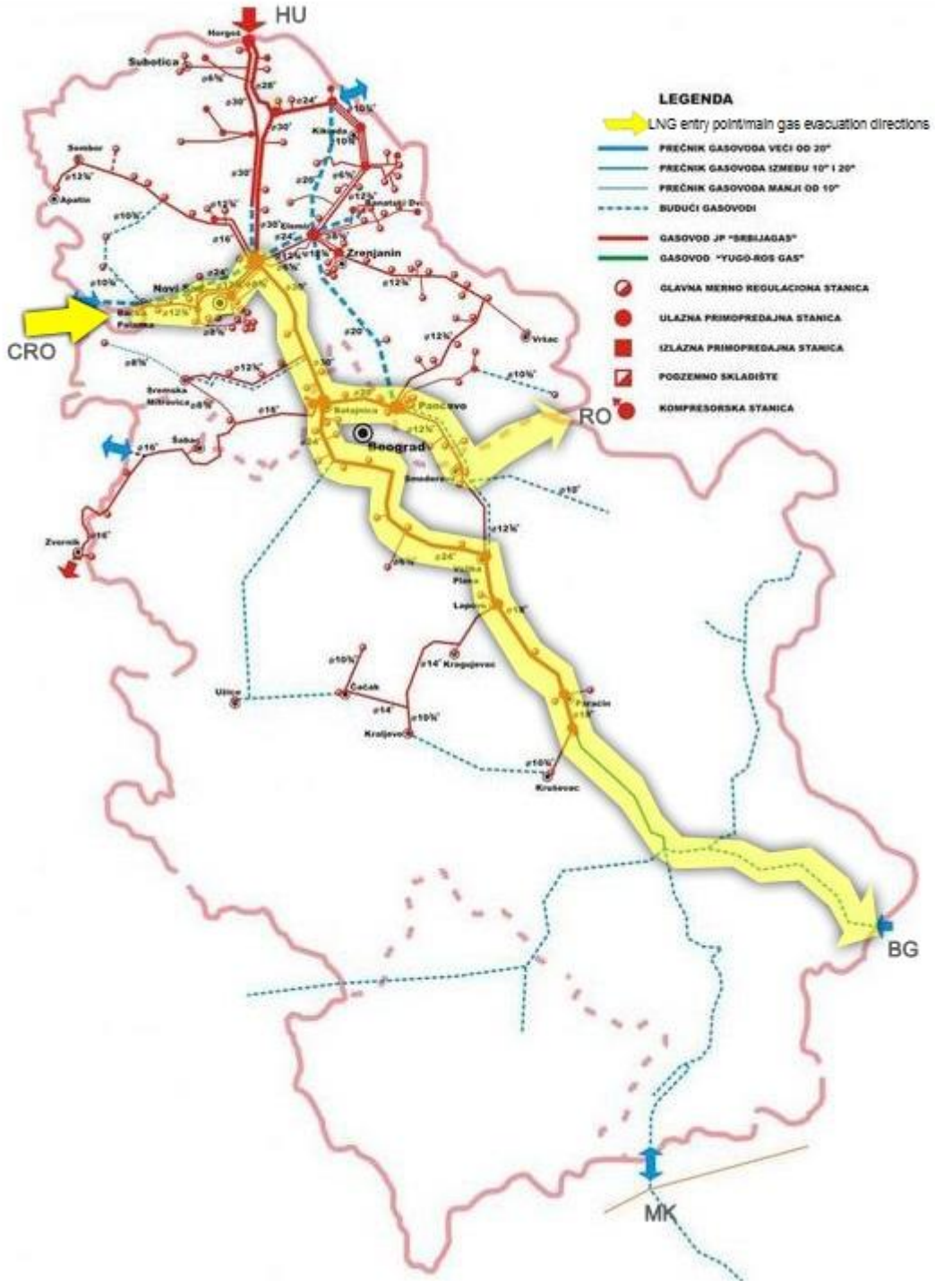


Fig.2-3 Transport routes for gas from the LNG terminal on the island of Krk in the gas transmission system in Serbia (source: Srbijagas)

Tab. 2-6 Interconnection pipelines in the gas system in Serbia (source: Srbijagas)

Pipeline section	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Serbia - Bulgaria	0,15 [4,7]	2018
	1,5 [46,5]	2020
	2,5 [77,5]	2022-24
Serbia - Romania	1,6 [49,6]	Planned – depending on Safety of Supply priorities and market.

c. branch towards Bosnia and Herzegovina: pipeline Slobodnica – Brod - Zenica (BiH)

Tab. 2-7 Interconnection pipeline towards the Bosnia and Herzegovina's gas system (source: Plinacro)

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Slobodnica - Brod	6	DN 700; 28"	75	1,42 [44]	2019
Brod - Zenica	140	DN 500; 20"	50	1,42 [44]	2020

The transport of gas for the market of Bosnia and Herzegovina from the LNG terminal, as well as from other sources, will be enabled by the interconnection Slobodnica – Brod – Zenica (see Tab. 2-7). In addition to the gas flows from the LNG terminal, the interconnection will provide the access to the Croatian Underground Gas Storage (UGS) and the supply of gas from Austria, Slovenia, Italy and Hungary through the Croatian gas transmission system. The pipeline will be a part of the EC Ring (Energy Community Gas Transmission Ring) and will be bi-directional. The completion of the construction of the second portion of the EC Ring (South interconnection of Bosnia and Herzegovina) will provide for the opposite flow from Bosnia and Herzegovina to Croatia.

Figure Fig. 2-4 presents the gas transmission system of Bosnia and Herzegovina.



Fig. 2-4 Transport routes for gas from the LNG terminal on the island of Krk in the gas transmission system of Bosnia and Herzegovina (source: BH-Gas)

3) WESTERN SECTION

Pipeline system: Kozarac – Lučko – Zabok - Rogatec (SLO, IT, AT, CZ, HU, bi-directional gas flow enabled)

Tab. 2-8 Pipelines on the western section of the transport of gas from the LNG terminal (source: Plinacro)

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Kozarac - Ivanja Reka	45	DN 500; 20"	50	1,8 [48,4]	Existing
	41	DN 600; 24"	75	4 [124]	
Ivanja Reka – Lučko	21	DN 500; 20"	50	1,8 [48,4]	Existing
	20	DN 700; 28"	75	5 [165,0]	
Lučko - Zabok	35	DN 500; 20"	50	1,8 [48,4]	Existing

Pipeline section	Length (km)	Nominal diameter (DN)	Max working pressure (bar)	Capacity (bcm/y [GWh/d])	Pipeline status /Year of commissioning
Lučko - Zabok	36	DN 700; 28"	75	5 [165,0]	2019.
Zabok - Rogatec	37	DN 500; 20"	50	1.8 [48,4]	Existing
Zabok - Rogatec	34	DN 700; 28"	75	5 [165,0]	2019

This route will, in addition to supplying the domestic market, enable the supply of the Slovenian and Austrian markets, but also of neighbouring markets.

The new pipelines on the route Kozarac – Lučko – Zabok – Rogatec will significantly increase the existing capacities of the interconnection of Croatian and Slovenian transmission systems, and enable the bi-directional gas flow (see Tab. 2-8). Gas from the LNG terminal will be transported via this route to the markets of Slovenia and Austria, but also to their neighbouring countries, Italy and the Czech Republic. In addition to the transport of gas from the LNG terminal, the new pipelines will also enable transport from other sources. The construction of the pipeline is also necessary for the reliability of the supply in the Croatian market and East European markets, i.e. for a better integration of Croatia and the region with the European flows.

On the route to Slovenia (interconnection point Rogatec), section from Kozarac to Lučko, the gas is transported through two existing parallel pipelines: 50 bar DN 500 system of the capacity of 1.8 bcm/y and 75 bar DN 600/700 system of the capacity of 4, or 5 bcm/y.

Figure Fig. 2-5 presents the Slovenian gas transmission system, and below is the main information about the Slovenian gas transmission system.

The company Plinovodi d.o.o. is the gas transmission system operator on the territory of the Republic of Slovenia (RS). The Slovenian transmission system enables the transmission of natural gas from northern Europe towards the south and bi-directional transmission in the direction of Italy.

In the future, the technical capacities of transmission will be adapted to the regional gas market, which includes the increase of existing transmission capacities, enabling of reverse flows at cross-border interconnection points and the establishment of gas flows with the Hungarian system.

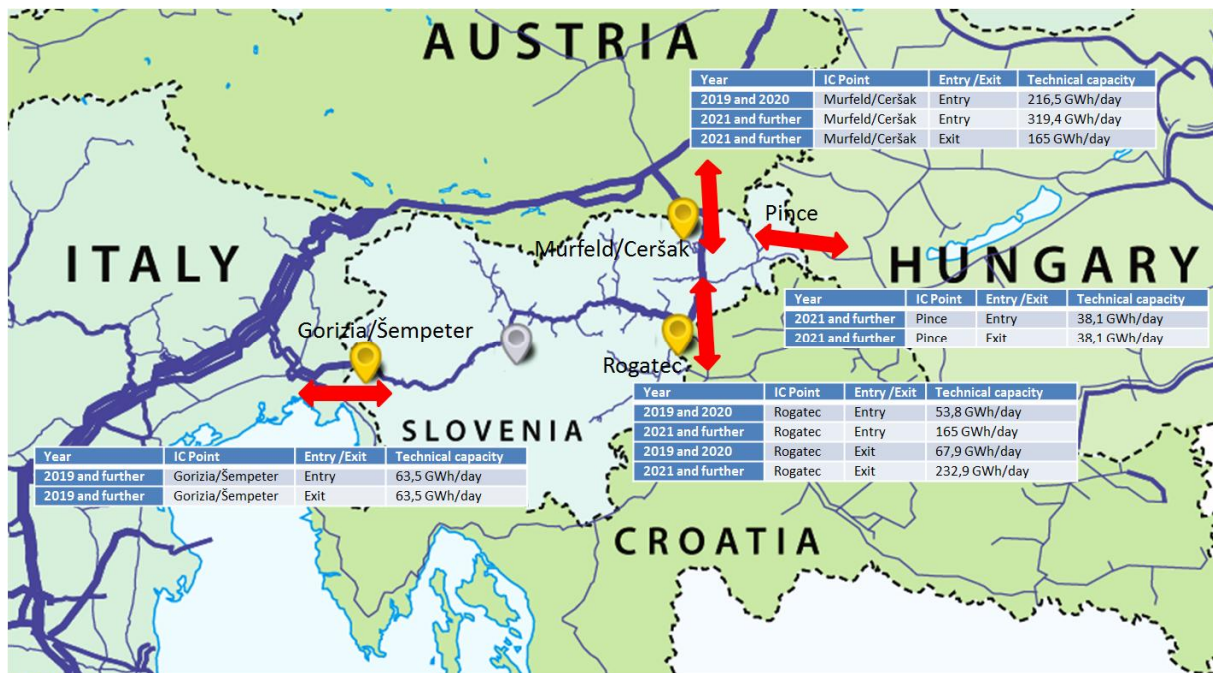


Fig. 2-5 Transport routes for gas from the LNG terminal on the island of Krk in the gas transmission system of Slovenia (source: Plinovodi)

The Slovenian transmission system is currently connected with:

- the Austrian transmission system at the Murfeld/Ceršak cross-border interconnection point,
- the Italian transmission system at the Gorizia/Šempeter cross-border interconnection point, and
- the Croatian transmission system at the Rogatec cross-border interconnection point.

By 2021 the Slovenian transmission system is expected to be connected to the Hungarian transmission system at the Pince cross-border interconnection point.

The company Plinovodi d.o.o. is expected to provide the following technical capacities at cross-border interconnection points:

- Murfeld/Ceršak cross-border interconnection point:
In the year 2019 and 2020, the planned technical capacity at the Murfeld/Ceršak cross-border interconnection point in the direction of entry into the RS amounts to 216,5 GWh/d and onwards from 2021 to 319,4 GWh/d. Onwards from 2021, the planned technical capacity in the direction of exit from the RS amounts to 165,0 GWh/d.
- Gorizia/Šempeter cross-border interconnection point:
In the year 2019 and onwards, the planned technical capacity at the Gorizia/Šempeter cross-border interconnection point in the direction of entry into the RS amounts to 63,5 GWh/d. In the direction of exit from the RS, the planned technical capacity in the year 2019 and onwards also amounts to 63,5 GWh/d.
- Rogatec cross-border interconnection point:
With the implementation of the basic system upgrade to allow bi-directional flow at the Rogatec cross-border interconnection point, the planned capacity in 2019 and

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2020 in the direction of entry into the RS amounts to 53,8 GWh/d, while in the year 2021 and onwards, the planned entry technical capacity amounts to 165,0 GWh/d. In the direction of exit from the RS, the planned technical capacity in 2019 and 2020 amounts to 67,9 GWh/d and onwards from 2021 to 232,9 GWh/d.

- Pince cross-border interconnection point:
Onwards from 2021, the planned technical capacity at the Pince cross-border interconnection point amounts to 38,1 GWh/d in the direction of entry into the RS. In the direction of exit from the RS, the planned technical capacity onwards from 2021 also amounts to 38,1 GWh/d.

The company Plinovodi d.o.o. allocates capacities in accordance with the requirements of the *Commission Regulation (EU) No. 984/2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems* (the so-called CAM NC).

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3 Capacity allocation and determination of tariff

3.1 Allocation of the pipeline capacities

After implementation of non-binding phase, and for the purposes of the binding phase of the Open Season Procedure, rules for allocation of the pipeline capacities on routes for the transport of gas from the LNG terminal and transport from other sources will be determined. In addition, an economic test will be conducted with respect to allowed deviation of requested capacities during non-binding and binding phase of Open Season Procedure. Rules for conducting of economic test will be determined by Plinacro prior to start of binding phase. Possible scenarios depending on the results of non-binding phase and adequate responses are as follows:

- If demanded pipeline capacities on the mentioned routes are lower than offered, Plinacro will decide whether to repeat the process of submitting non-binding offers, with published indicative tariff.
- If demanded pipeline capacities on the mentioned routes are higher than offered, Plinacro will determine the criteria against which they will allocate the pipeline capacity to potential users.

With the respect to results of economic test results, Plinacro will allocate the capacities to future pipeline users on the mentioned routes. During the binding phase of Open Season Procedure, future pipeline users will be able to submit an offer for booking a capacity up to amount allocated after non-binding phase.

3.2 Determining indicative tariff

Determination of the indicative tariff for the transport of gas from the LNG terminal and transport from other sources will be conducted according to previously adopted methodology. In 2013, HERA has adopted The methodology of determining the amount of tariff items for transport of gas (OG No. 85/13, 158/13, 118/15) which defines tariffs for the first regulatory period.

Upon receipt of non-binding offers for booking of pipeline capacities, Plinacro will, in collaboration with HERA, for the purpose of conducting a binding phase, publish indicative tariffs for gas transport. Plinacro retains the right to publish indicative tariffs for the transport of gas after the completion of the non-binding phase and prior to the commencement of the binding phase of the Open Season procedure.

4 Instructions for future Users

4.1 Participation fee

To be able to participate in the non-binding phase of the Open Season procedure, future Users should pay, until the deadline for receiving non-binding offers for the booking of the gas pipeline capacities (1st March 2016), the fee for the participation in the procedure amounting to:

HRK 4,000.00
(four thousand kunas)

The participation fee shall be paid to the account No.: HR8323400091100225794 with a note "Open Season postupak - KOTIZACIJA". After the payment, the proof of payment shall be sent to Plinacro d.o.o. by e-mail to openseason@plinacro.hr. The participation fee cannot be reimbursed.

By paying the fee, future users gain access to the full documentation and information related to the Procedure.

4.2 Content of the Offer

Future Users must submit a non-binding offer for the booking of capacities in line with the following offer content:

1. Non-binding offer Form (a copy of the form is available upon registration and payment of the participation fee)
2. Proof of legal and business capability and the rights of person authorised for representation (a document on the entry into a business, court/commercial, professional, craft or other appropriate register that may not be older than six months on the date the non-binding offer is submitted)
3. Proof of financial capability (appropriate annual financial statements for 2014)
4. Capacity Request Form (a copy of the form is available upon registration and payment of the participation fee)

Only Users in the Procedure that meet the requirements, i.e. those who can submit proofs of capabilities stated in points 2 and 3 of the offer content may submit a valid non-binding offer. Within 10 working days from the date of submitting the offer, Plinacro d.o.o. shall inform the future user of the Gas Pipeline whether the offer contains all required information and whether it should be supplemented with additional information. All the above mentioned documents must be submitted not later than 4th March 2016 to the address stated in point 4.3 Submission of the Offers.

Users in the non-binding phase of the Open Season procedure should fill out the Capacity Request Form, attached to these Rules, and submit it in the paper and electronic form. In the Form, the Users should provide the requested information and provide own commentaries related to the Project for the construction of the LNG terminal and gas pipeline on the relevant gas transport routes.

The Capacity Request Form must be signed by the person authorised to represent the User.

4.3 Submission of the Offers

Users in the non-binding phase of the Open Season procedure shall submit the signed non-binding offer in the form as described in point 4.2 Content of the Offer, in the original and in the scanned form to the e-mail address.

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If there is a mismatch between the copies or the electronic offer and the original offer, the original offer shall be considered valid.

Contact information for submitting the offers

Non-binding offers in the paper form shall be enclosed in a sealed envelope. The envelope should have the following information:

- a) Name and address of the service provider:
PLINACRO d.o.o.
za transport prirodnog plina
Savska cesta 88a
10 000 Zagreb, Republika Hrvatska
- b) Subject
“Neobvezujuća faza u Open Season postupku na pravcima za otpremu plina iz LNG terminala i transport plina iz ostalih izvora”
NE OTVARAJ! (DO NOT OPEN!)
- c) Name and address of the User
Name of the User
Address of the User, Postal code, City, Country

The address for submitting the offer in the electronic form is openseason@plinacro.hr

Users have the right to correct the submitted non-binding offers, but only until the expiry of the deadline for submitting non-binding offers. All corrections shall be prepared in a visible and provable manner, signed and stamped by the User. The deadline for submitting non-binding offers is 1st March 2016 until 23:59 (CET).

4.4 Indicative Open Season Procedure Schedule

Plinacro plans to implement the procedure in line with the schedule set out below (see table Tab. 4-1). However, it retains the right to modify the schedule in case of events that lead to its necessary modification.

Tab. 4-1 Open Season procedure schedule

	Procedure schedule	Open Season procedure phase
3.	18 th January 2016 – 04 th March 2016	Receiving non-binding offers for the capacity booking
4.	07 th March 2016 – 11 th March 2016	Review of offers and allocation of capacities
5.	14 th March 2016 – 31 st March 2016	Calculation of the indicative tariff for the binding phase
6.	01 st April 2016 – 02 nd May 2016	Binding phase of the Open Season procedure

4.5 Confidentiality

Plinacro d.o.o. obliges to keep confidential all information and knowledge about the Users in the Procedure and not to disclose them or make available to third parties in any other way. However, Plinacro d.o.o. retains the right to make available the confidential information gained in the Procedure to the following entities:

- 1) Corporate bodies of Plinacro d.o.o.;
- 2) Other entities that have the right to obtain information in accordance with the legal provisions in force.

4.6 Final provisions

All costs related to the participation in the Procedure are paid by the Users and Plinacro d.o.o. has no responsibility regarding them.

Plinacro d.o.o. retains the right to amend the rules, including the extension of deadlines stated in the rules or if there is a change in legal regulations not foreseen by the rules, changes in administrative approvals or decisions of the competent bodies that would make any of the provisions not allowed or not enforceable.

Plinacro d.o.o. may at any moment cancel the Procedure if there are well-founded grounds. Plinacro d.o.o. must inform the Users and the HERA about the termination of the Procedure and state the reasons for such decision and determine the timeframe in which the Procedure will be repeated.

Plinacro d.o.o. is not responsible for changes to the project development plans stated in these rules. They may be, among other things, caused by financial and regulatory limitations prescribed by competent regulatory or public institutions. In addition, Plinacro d.o.o. will publish information about the rules for using the gas pipeline in end points resulting from the binding legal provisions, Network rules and tariffs.

These rules make public information available exclusively for information purposes. By publishing this document, Plinacro d.o.o. is in no way obliged to allocate the gas pipeline capacities to the interested parties, to construct the interconnections or transport capacities. Furthermore, indicative information stated in this document may not serve to create a contractual liability between Plinacro d.o.o. and any other interested party. Disclaimer stated above relates also to the other TSOs mentioned in the subchapter 2.2.1.

The rules and appendices are prepared in Croatian and English languages. In case of discrepancies between the documentation in Croatian and English languages, the documentation in Croatian language has precedence.

5 Appendices

APPENDIX 1: Non-binding Offer Form

NON-BINDING OFFER FORM

1) INTRODUCTION

This non-binding offer form shall be used exclusively for the purpose of submitting a non-binding offer in the non-binding phase of the Open Season procedure on routes for the transport of gas from the LNG terminal and transport of gas from other sources.

The non-binding offer comprises the following:

1. The Non-Binding Offer Form
2. Proof of legal and business capability and the right of the person authorised for representation (a document on the entry into a business, court/commercial, professional, craft or other appropriate register that may not be older than six months on the date the non-binding offer is submitted)
3. Proof of financial capability (appropriate annual financial statements for 2014)
4. Capacity Request Form

2) INFORMATION ABOUT THE USER

User:

Address of the User:

PIN (OIB) of the User:

Name and occupation of the authorised person:

Name and occupation of the contact person:

Contact information (e-mail, telephone, fax):

3) DESCRIPTION OF THE USER

Short description of the User, main business activities, role in the natural gas market and the reason for the interest in contracting the booking of gas pipeline capacity

4) SIGNATURE OF THE USER'S REPRESENTATIVE

Date: _____ Name and surname and position: _____
Signature: _____

Open Season Procedure – Non-Binding Phase

APPENDIX 2: Capacity Request Form