TRANSMISSION SYSTEM NETWORK CODE

I GENERAL PROVISIONS

Article 1

This Transmission System Network Code (hereinafter: Network Code) regulates the description of the transmission system, the development of the transmission system, the rules on connecting to the transmission system, connecting the transmission system to other parts of the gas system, supervision and transmission system management, the transmission system balancing rules, transmission system maintenance, the services and products of the transmission system operator, contracting capacity at interconnection and contracting capacity at entry and exit points in the RC, trading contracted capacities, use of the transmission system capacity, measuring rules and gas quantity allocation rules, disclosure of data and exchange of information, restriction and suspension of gas delivery, unauthorised consumption of gas, congestion management procedures at interconnections, general terms and conditions for the use of gas transmission services and methodology for gas off-take forecasting and allocation of determined gas energy at the transmission system exits.

Article 2

(1)This Network Code shall be applied by the Transmission System Operator, the Transmission System User, the Distribution System Operator, the Closed Distribution System Organiser, the Gas Storage System Operator, the LNG Terminal Operator, the Natural Gas Producer, LNG and/or CNG supply point operator, the Final customer, and the Balance Responsible Party.

(2) Any reference to business days in this Network Code means business days in accordance with ~~the regulations of the Republic of Croatia~~ this Network Code, and every reference to time (hours) means time according to the time zone which applies to Zagreb, the Republic of Croatia.

Article 3

(1) The terms used in this Network Code have the meaning determined by the legislation of the European Union and the laws of the Republic of Croatia which govern energy, regulation of energy activity and gas market, as well as by the regulations adopted pursuant to those laws.

(2) Aside from the terms referred to in paragraph 1 of this Article certain terms in this Network Code have the following meaning:

1. *transmission system linepack* – total quantity of gas in the transmission system, calculated in real time by the gas network computer model (SIMONE) in volume and energy under standard reference conditions based on the configuration and geometry of the gas pipeline, and the actually measured gas pressures, flows and gas composition parameters at the entries into the transmission system

2. *auction* – electronic auction (competition), which takes place on the auction web-based booking platform for the purpose of allocating the transmission system capacity at interconnections
3. *auction platform* – web-based booking platform for capacity booking the transmission system operator uses for the purpose of conducting the auctions of the transmission system capacity at the interconnections
4. *auction calendar* – a predefined auction schedule for standard services offered by the Transmission System Operator at an interconnection and which is published by ENTSO-G on its official website – *www.entsog.eu*
5. *bilateral interconnection agreement* – agreement on international connecting gas pipelines between the Transmission System Operator and the Transmission System Operator of a neighbouring country
6. *daily change of the transmission system linepack* – difference between the total quantity of gas in the transmission system at the end of the gas day and the total quantity of gas in the transmission system at the end of the previous gas day
7. *daily imbalance of the balance group* – the difference between the quantity of gas input into the transmission system and the quantity of gas off-take from the transmission system on the level of a gas day, determined for each balance group taking into account accepted transactions at the virtual trading point, concluded trades in products at the trading platform and the activated balancing energy for the balancing service
8. *Net Calorific Value under standard conditions* – heat released during the combustion of natural gas with air, after which the heat of water steam condensation from the fuel gases is not used; expressed in kWh/m^3 at the combustion temperature of 15°C and natural gas temperature of 15°C
9. *energy approval for connecting to the transmission system (hereinafter: energy approval)* – a document determining the guaranteed technical and technological conditions for connecting to the ~~of access to the~~ transmission system, issued by the Transmission System Operator at the request of the ~~energy conditions holder~~ investor or the owner respectively, of the building being connected

   ~~*energy conditions for connecting to the transmission system (hereinafter: energy conditions)* – a document determining the possibility of connecting the building to the transmission system, the connection capacity and other technical and economic conditions of connection and terms and conditions of use of the transmission system, issued by the Transmission System Operator at the request of the applicant~~
10. *Gross Calorific Value under normal conditions* – all heat released during the total combustion of natural gas with air, after which the heat of water steam condensation from the fuel gases is additionally used; expressed in kWh/m^3 at combustion temperature of 25°C and natural gas temperature of 0°C
11. *construction of a connection* – procurement of necessary material and equipment as well as mechanical, electric, construction and other works carried out by the contractor of the connection for the purpose of constructing the connection
12. *limits of total estimated imbalance* – positive and negative limits of the total estimated imbalance beyond which the transmission system operator performs balancing actions

13. *interconnection* – a physical or virtual point on the interstate connecting gas pipeline of European Union Member States and third countries, which is the subject matter of contracting gas transmission services
14. *website* – Transmission System Operator's website (www.plinacro.hr)
15. *connection investor* – investor or owner of the building which is to be connected to the transmission system,
16. *exit from the transmission system* – a physical or virtual point of the transmission system, which is the subject matter of contracting transmission services for delivering gas to the transmission system of a neighbouring country, distribution system, gas storage system or final customer
17. *exit from the transmission system in the Republic of Croatia (hereinafter: exit in the RC)* – an exit from the transmission system, except the interconnection
18. *extraordinary creation of technical conditions* – a set of activities involving the preparation for the construction and the construction of new parts of the transmission system which is not planned in the development plan of the transmission system, as well as the construction planned by the development plan of the transmission system in the time period which does not suit the investor of the connection
19. *execution of the connection* – a series of activities concerning the construction of the connection which include preparatory-finishing works and construction of the connection
20. *connection contractor* – legal or natural person that has all required evidence of professional and technical capability for constructing the connection to the transmission system
21. *calibration gas* – gas mixture accredited by the competent accreditation body according to the standard “HR EN ISO/IEC 17025”, consisting of a basic gas (methane) and additives, and used for the calibration of equipment for determining natural gas quality
22. *Transmission System User* – gas supplier or gas trader that concludes a Gas Transmission Contract and/or an Interconnection Gas *Transmission* Contract with the Transmission System Operator
23. *Final Customer* – the final customer connected to the transmission system
24. *measuring-reduction station* – overhead transmission system facility with connections to the transmission system where preparation of gas (filtration and pre- heating), reduction of pressure and measuring of gas quantities which are to be delivered to the Transmission System Users under contracted terms, are carried out
25. *sampling location* – location for sampling of gas from the gas pipeline, where a gas sampling mechanism is installed for the purpose of determining the composition and quality of gas
26. *supervision and transmission system management* – procedures carried out by the Transmission System Operator with the goal of keeping the transmission system operating parameters within the limits required for secure and reliable transmission of gas
27. *fee for the connection and increase of connecting capacity* – fee for the construction of the connection, paid by the connection investor to the Transmission System Operator, and calculated and charged in accordance with the Methodology of determining the fee for

connection to the gas distribution and transmission system and for the increase of connecting capacity, with this Network Code, and the Agreement on connecting to the Transmission System

28. *nomination* – announcement of the quantity of natural gas for a balance group for the following gas day which the Transmission System Users, i.e. Balance Group members intend to input into the transmission system and/or off-take from the transmission system
29. *billing metering point* – point on the transmission system that has a built-in gas meter and other metering, regulation and safety equipment where the volume is measured in order to calculate the delivered gas
30. *gas node* – an overhead transmission system facility where two or more gas pipelines are connected
31. *gas day* – a period of 24 hours which begins at 6:00 AM and lasts until 6:00 AM of the following day
32. *special conditions* –~~construction conditions determined by the Transmission System Operator in the capacity of an authority governed by public law, in accordance with special regulation governing physical planning and construction~~, conditions for carrying out the intervention in space or construction respectively, determined by the Transmission System Operator in the capacity of public authority in terms of regulations governing physical planning and construction, in a way prescribed by these regulations for the purpose of providing security of transmission by gas pipelines, in accordance with special regulations regulating safe transmission by gas pipelines and with this Network Code, except for conditions for connecting to the transmission system, conditions determined in the environmental impact assessment procedure, procedure of evaluation of the necessity for the environmental impact assessment and the procedure of evaluation of acceptability of the intervention for the ecological network
33. *procedure for determining the interest for contracting the new transmission system capacity (hereinafter: Open Season)* – the procedure for contracting transmission system capacity, which consists of the non-binding phase in which the Transmission System Operator collects information about the potential interest for contracting the capacity of the infrastructure it intends to build, and the binding phase in which the Transmission System Operator collects binding bids for capacity contracting.
34. *lesser rule*– a rule applied at an interconnection if a difference in the nomination amounts is determined in a matching process
35. *forecasting party* – a legal person that performs the role prescribed by the BAL Regulation and the Transmission System Network Code and it is determined by the decision of the Agency
36. *interruptible capacity* – transmission system capacity which the Transmission System Operator has the right to restrict or totally deny to the Transmission System User
37. *Transferor* – a Transmission System User which transfers its contracted capacity or gives the right to use the contracted capacity to another supplier or gas trader in accordance with the provisions of this Network Code

38. *remaining imbalance for gas day D-1* – the difference between the sum of all daily imbalances of balance groups and the quantity of gas that the Transmission System Operator has used for the purpose of balancing actions in the gas day D-1
39. c*onnection* – an assembly of gas devices and installations, including the billing metering point, up to the delimitation point which is outside the Transmission System Operator's facility on the border of the cadastral plot or the fence, connecting the gas devices and installations of the Final Customer, Distribution System Operator, Gas Storage System Operator, LNG Terminal Operator or Natural Gas Producer with the transmission system
40. *connecting capacity* – the largest achievable gas flow at an individual connection, determined by taking into account the technical capabilities of the installed equipment and the transmission system, expressed in kWh/h
41. *preparatory-finishing works for connecting to the transmission system* – verification of compliance of the connection construction with the main project, establishing that the validity and tightness check of the connection was successfully completed, establishing that the as-built survey of the connection, the connection to the transmission system and the filling the connection with gas was completed, establishing that the testing of connection tightness under gas was successfully completed as well as administrative affairs
42. *estimated total gas consumption* – total gas consumption in gas day D, estimated by the Transmission System Operator taking into account last accepted nominations for the use of the transmission system for the Final Customers connected to the transmission system, forecast of the environment temperature and history data on the delivery of gas into the distribution systems
43. *estimated total imbalance* – imbalance of all balance groups for the end of the gas day D, determined based on the remaining imbalance for the gas day D-1 and the estimated imbalance for the gas day D
44. *estimated imbalance for gas day D* – imbalance of all balance groups in the gas day D, determined based on the accepted nominations for the transmission system use, estimated total gas consumption and performed balancing actions
45. *products on the trading platform* – a product traded at the trading platform of the Gas Market Operator in accordance with the Rules on the gas market organization
46. *operational balancing account* – account on which the differences between the allocated and physically measured gas quantities are recorded
47. *business day* – every day except Saturdays, Sundays, and holidays and public holidays determined by law
48. *balancing action* – activity undertaken by the Transmission System Operator to change the gas quantity at the transmission system entry and/or at the transmission system exit by buying or selling products on the trading platform and/or by activating balancing energy for the balancing service
49. *regular transmission system operation* – status of the transmission system in which the preconditions for running the transmission system have been ensured in technological terms

50. *regular creation of technical conditions* – a set of activities involving preparation for the construction of new and/or reconstruction of the existing parts of the transmission system, as well as all construction and/or reconstruction of the transmission system carried out for the purpose of creating conditions for the connection of buildings to the transmissions system, i.e. increasing the connection capacity of already connected buildings

51. relevant sampling location for the connection – sampling location the observed connection is associated to, and from which the data on calorific value of gas is used in the procedure of calculating the delivered gas energy at the observed connection

52. *re-nomination* – altered nomination

53. *secondary capacity market* – capacity market on which the Gas Supplier and/or the Gas Trader mutually trade in contracted capacity of the transmission system

54. *available capacity* – a part of the technical capacity which hasn't been contracted

~~*specific point* – a place on the transmission system within a specific area where the composition of gas is determined or gas samples are collected, and the measured values represent the reference value for all entries into the transmission system and/or exits from the transmission system associated to that specific area~~

~~*specific area* – physically connected parts of the transmission system within which gas of similar quality and calorific value is transmitted~~

55. *firm capacity* – transmission system capacity, the Transmission System Operator ensures for the Transmission System User in the complete contracted amount for the contracted period

56. *standard gas quality* - gas quality prescribed by the General terms and conditions of gas supply

57. *standard capacity product* – a certain amount of capacity over a given period of time at a specified entry into the transmission system or exit from the transmission system

58. *acquirer* – supplier or gas trader that the contracted transmission system capacity is transferred to or that acquires the right to use the contracted transmission system capacity in accordance with the provisions of this Network Code

59. *system for managing the transmission system capacities (hereinafter:* SMTSC) – the information system for conducting business processes for the gas market, operated by the Transmission System Operator, used by gas market participants for the purpose of contracting and using the gas transmission services, reporting and other activities in accordance with this Network Code and other regulations governing the gas market.

60. *system for remote supervision, management and data gathering* – the information system which enables constant insight into the technological parameters of the transmission system and direct management of transmission system facilities by applying the corresponding circuit and programming equipment of own telecommunication subsystem

61. *technical capacity* – the largest firm transmission system capacity which the Transmission System Operator can offer to the Transmission System Users, while taking into account the integrity and technical capabilities of the transmission system

62. *contracted capacity* – capacity expressed in unit of energy per unit of time, the Transmission System User has the right to use in accordance with the allocated capacity in the Gas Transmission Contract and/or Interconnection Gas Transmission Contract
63. *contractual congestion* – a situation where the level of firm capacity demand exceeds the technical capacity
64. *entry measuring station* – overhead transmission system facility where the Transmission System Operator takes over gas into the transmission system and where the preparation is carried out as well as the measuring of gas quantities and gas quality parameters
65. *entry into the transmission system* – a physical or virtual point of the transmission system which is the subject matter of contracting transmission services for off-take of gas from the transmission system of a neighbouring country, production gas pipeline network, gas storage system or LNG Terminal
66. *entry into the transmission system in the Republic of Croatia (hereinafter: entry in the RC)* – an entry into the transmission system, except the interconnection
67. *matching* – process of comparing and verifying amounts of nominated gas quantities conducted by the operators of connected transmission systems and/or the Transmission System Operator and Gas Storage System Operator
68. *congestion management* –transmission system capacities management for the purpose of optimal and maximal use of technical capacity
69. *Regulation 715/2009* – Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 as last amended by Commission Decision (EU) 2015/715 of 30 April 2015 amending Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks
70. *SOS Regulation* – Regulation (EU) No 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010
71. *BAL Regulation* – Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks.
72. *CAM Regulation* – Commission Regulation (EU) No 2017/459 of 16 March 2017 establishing a Network Code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013
73. *conditions for connecting to the transmission system* – conditions for carrying out the intervention in space or construction respectively, determined by the Transmission System Operator in the capacity of public authority in terms of regulations governing physical planning and construction, in a way prescribed by these regulations and special regulations governing gas market, for the purpose of connecting to the gas transmission system, which conditions determine the technical possibility and technical conditions for connecting of intervention in space or a facility respectively, to the gas transmission system, including technical capacity

74. *protection zone* – a zone 30 meters wide on each side of the gas pipeline, counting from the axis of the gas pipeline, within which it is forbidden to construct buildings intended for habitation or human residence.

II DESCRIPTION OF THE TRANSMISSION SYSTEM

Article 4

The transmission system is comprised of:

a) gas pipelines of different nominal diameter and operating pressure,
b) entry measuring stations,
c) measuring-reduction stations,
d) gas nodes,
e) connections,
f) system for remote supervision, management of the gas network and data gathering,
g) dispatcher centre,
h) technical systems necessary for the secure and reliable operation of the transmissions system,
i) other technical facilities, equipment and devices.

Article 5

The Transmission System Operator publishes and updates the description of the transmission system and the map of the transmission system on its website.

Article 6

(1) The following are connected to the physical entries into the transmission system:

a) production gas pipeline network,
b) transmission system of a neighbouring country,
c) gas storage system,
d) LNG Terminal
e) direct gas pipeline.

(2) The following are connected to the physical exits from the transmission system:

a) Final Customer building,
b) distribution system,
c) gas storage system,
d) transmission system of a neighbouring country,

e) LNG and/or CNG supply location,

f) direct gas pipeline.

III TRANSMISSION SYSTEM DEVELOPMENT

Article 7

(1) The Transmission System Operator is responsible for the development of the transmission system.

(2) The development of the transmission system is carried out in accordance with the latest approved ten-year transmission system development plan.

(3) When preparing the ten-year transmission system development plan, the Transmission System Operator takes into consideration:

a) justifiable needs for ensuring long-term transmission system capacities,

b) characteristics of the transmission system flow and pressure operating parameters,

c) data on actual and expected use of the transmission system,

d) data on the safety and reliability of transmission system operation,

e) economic conditions,

f) other relevant data.

(4) During the preparation of the transmission system development plan, the Transmission System Operator shall take into account the facts from the annual report on reliability, safety and efficiency of the transmission system, gas quality, quality of service, reliability of gas delivery, technical characteristics of the system, transmission system capacity use, maintenance of transmission system equipment and fulfilment of other legal obligations, as well as information gathered in market demand estimation procedures, during which it shall take care of:

a) secure and efficient functioning of interconnected systems,

b) investment projects of international Transmission System Operators and other subjects which can have an effect on the operation and use of the transmission system,

c) existing and planned international connecting gas pipelines,

d) possible new production fields or new points of connection to the gas transmission system of Natural Gas Producers,

e) possible capacity development of the Gas Storage System, LNG Terminal, Distribution System, Closed Distribution System;

f) plans for gas delivery from the LNG Terminal and projections of annual gas quantities that the distribution systems and Final Customers shall off-take from the transmission system,

g) congestion management principles,

h) preventing the occurrence of contractual congestion,

i) regional, national and European development goals, including the international projects which are of interest to the Republic of Croatia.

(5) When preparing the transmission system development plan, the Transmission System Operator shall take into account the need for capacity dimensioning at the entries into the transmission system in accordance with the SOS Regulation and other regulations governing security of gas supply, to ensure safe gas supply for all customers and reliable transmission.

(6) When preparing the transmission system development plan, the facilities that are under common jurisdiction of the Transmission System Operator and the Distribution System Operator or the Gas Storage System Operator or the LNG Terminal Operator shall be reported separately from other transmission system facilities and shall be subject to the Network Code.

(7) When drafting the transmission system development plan, facilities which are under common jurisdiction of the Transmission System Operator and the Transmission System Operator of a neighbouring country, shall be reported separately from other transmission system facilities and shall be subject to the international standards and regulations.

(8) When preparing the transmission system development plan, the Transmission System Operator shall ensure the maximum offer of firm capacity at cost-effective measures, and in such a manner that does not disturb the gas market.

Article 8

(1) In order to check potential market demand for incremental capacity at the interconnection, the Transmission System Operator shall implement the incremental capacity procedure in cooperation with neighbouring Transmission System Operators.

(2) The Transmission System Operator may carry out an incremental capacity procedure on the interconnection with a third country, if the Agency adopts a decision on the application of the provisions of the CAM Regulation in relation to a third country.

(3) In case the decision referred to in paragraph 2 of this Article is not adopted, in order to verify the market interest for new capacity in relation to a third country the Transmission System Operator shall conduct the Open Season procedure.

(4) The object of the non-binding phase of the Open Season procedure is to verify the gas market participants' interest in relation to:

a) the need for building new infrastructure,

b) contracting conditions,

c) capacity allocation rules,

d) economic and other requirements.

(5) The object of the binding phase of the Open Season procedure is to verify the interest of energy entities for contracting new capacities, given the infrastructure planned to be built.

Article 9

(1) The Transmission System Operator constructs new facilities, reconstructs, upgrades and modernizes existing facilities of the transmission system on the basis of an approved ten-year transmission system development plan.

(2) As an exception to paragraph 1 of this Article, the Transmission System Operator may build new transmission system facilities on the basis of a positive economic test in the Open Season procedure or in the procedure of incremental capacity, and the final investment decision.

(3) When designing, constructing, commissioning and maintaining the transmission system, the Transmission System Operator may apply internal guidelines and rules that contain at least the minimum requirements specified by the regulations governing the technical conditions for the construction, operation and maintenance of the pipeline and other transmission system facilities.

(4) The Transmission System Operator shall, initiate, in a timely manner, the procedure to obtain consents and permits for the construction of the planned facilities.

IV CONNECTION TO THE TRANSMISSION SYSTEM

Article 10

~~(1) A request for verifying the possibility of connecting the building to the transmission system may be submitted by any natural or legal person that, under the laws governing energy and energy activities, has the right to connect to the transmission system.~~

~~(2) The request referred to in paragraph 1 of this Article shall be submitted in the case of planning the construction of a new connection for connecting the building to the transmission system.~~

~~(3) The Transmission System Operator shall publish the request form referred to in paragraph 1 of this Article on the website.~~

~~(4) The Transmission System Operator shall, based on the submitted request referred to in paragraph 1 of this Article, verify the technical requirements for connection at the requested location and deliver a notice to the applicant about the possibility for connecting the building to the transmission system.~~

~~(5) The notice referred to in paragraph 4 of this Article shall contain at least:~~

~~a) the name of the entity requesting connection to the transmission system;~~

~~b) the location of the connection to the transmission system;~~

~~c) connection capacity;~~

~~d) the pressure of gas delivery.~~

Article 11

(1) The following documents are required for connection to the transmission system:

a) ~~energy~~ conditions for connecting to the transmission system or special conditions respectively;

b) energy approval;

c) connection contract.

(2) The documents referred to in paragraph 1 of this Article shall be issued by the Transmission System Operator under the conditions and in the manner prescribed by the regulations regulating physical planning and construction and this Network Code.

~~*Energy*~~ *Conditions for Connecting to the Transmission System and special conditions*

Article 12

~~(1) The applicant requesting the issuance of energy conditions may be the competent administrative authority, the investor, owner or user of a building to be connected to the transmission system or a third party authorized by the investor, owner or user of the building to be connected to the transmission system.~~

~~(2) As an exception to paragraph 1 of this Article, the applicant requesting issuance of energy conditions is the holder of an energy approval, that requests a change to the existing connection of the building connected to the transmission system.~~

~~(3) The Transmission System Operator shall publish the request form for the issuance of energy conditions on the website.~~

~~(4) Energy conditions are obtained in the procedure of issuing an act determining the spatial – location conditions, i.e. the special conditions according to which the project documentation of the building connected to the transmission system shall be prepared, in accordance with the regulations governing physical planning and construction activities.~~

~~(5) As an exception to paragraph 4 of this Article, the energy conditions are obtained in the procedure of connecting the existing building to the transmission system when an act has already been obtained which determines the spatial and location conditions or the specific conditions under which the project documentation of the building to be connected to the transmission system shall be prepared.~~

~~(6) The energy conditions shall be obtained at each request for change to the existing connection of a building connected to the transmission system.~~

~~(7) In the case referred to in paragraph 5 of this Article, the applicant shall enclose the act approving the construction, to the request for the issuance of energy conditions~~

(1) The design engineer submits request for determining conditions for connecting to the transmission system or special conditions respectively, through the competent administrative authority, that is, the ministry responsible for construction and physical planning in accordance with regulations regulating construction and physical planning.

(2) As an exception to paragraph 1 of this Article, the request for the issuance of conditions for connecting to the transmission system is submitted to the Transmission System Operator by the holder of an energy approval, requesting a change to the existing connection of the building connected to the transmission system.

(3) The request for determining the conditions for connecting to the transmission system contains at least the information on:

a) the Investor and/or the owner of the building to be connected to the transmission system,

b) type of the facility being connected to the transmission system,

c) location of the facility, including cadastral plot of the facility being connected to the transmission system,

d) connecting capacity of the facility being connected to the transmission system, expressed in kWh/h,

e) planned gas delivery pressure,

f) planned off-takes of gas from the transmission system or planned quantities of gas delivered to transmission system for the period of ten years, and indicated maximal and minimal quantities of gas off-take, expressed in kWh/h and kWh/year for each year

g) purpose of gas consumption

h) planned date of connecting of the facility.

(4) In the case referred to in paragraph 2 of this Article, the Applicant shall enclose the act approving the construction along with the request for the issuance of the conditions for connecting to the transmission system.

(5) Based on the conditions for connecting to the transmission system, the facility cannot be connected nor can the connecting capacity of a facility be increased based.

(6) Along with the request for determining special conditions the Applicant shall enclose a description and graphic layout for the intervention in space and/or a study determined by special regulation as the condition for the determination of special conditions.

Article 13

(1) ~~Energy conditions~~ Conditions for connecting to the transmission system contain information on:

a) the investor or owner of the building,

b) position of the building, including the cadastral plot of the building which is being connected to the transmission system,

c) the possible location of the connection and the possible manner of connection construction,

d) connection capacity expressed in kWh/h,

e) conditions of connection construction,

f) planned annual gas consumption,

g) billing metering point,

h) deadline for building connection,

i) transmission system terms of use,

j) economic conditions,

k) deadline and conditions for their cessation and

l) instructions on the right to legal remedy.

(2) ~~Energy conditions~~ Conditions for connecting to the transmission system may also contain:

a) conditions for the building location

b) parameters of the transmission system at the location of the connection,

c) specification of the equipment which needs to be installed or refurbished due to the construction of the connection,

d) allowed pressure changes in the transmission system,

e) information on measuring equipment,

f) access to the billing metering point signals

g) programme of obligatory testing and

h) other information in relation to connection of a building.

(3) Special conditions contain:

a) general and technical conditions for carrying out works in the protection zone of the transmission system,

b) site layout with drawn main gas pipelines, installations and facilities of the Transmission System Operator,

c) drawings of possible technical solutions for intersections, parallel performance, minimum prescribed distances, special protection measures,

d) other conditions in accordance with special regulations.

(4) If, due to carrying out works, there is a possibility of limitation or suspension of gas delivery, the Transmission System Operator will state such possibility in the special conditions.

Article 14

~~(1) The energy conditions shall cease to be valid if, within two years of obtaining the conditions, the energy conditions holder does not submit a request for the issuance of an energy approval.~~

~~(2) At the request of the energy conditions holder, the Transmission System Operator may extend the validity of the energy conditions for no more than two years unless the circumstances under which the energy conditions were issued have been altered.~~

(1) Conditions for connecting to the transmission system and special conditions the basic design, which is an integral part of the location permit was made according to, shall cease to be valid on the day the location permit ceases to be valid.

(2) Conditions for connecting to the transmission system and special conditions the main design, which is an integral part of the building permit was made according to, shall cease to be valid on the day the building permit ceases to be valid.

Article 15

~~(1) The applicant referred to in Article 12 and Article 14 paragraph 2, that was denied a request for the issuance or renewal of energy conditions, or that is dissatisfied with the content of the energy conditions, has the right to lodge a complaint to the Agency.~~

~~(2) The complaint referred to in paragraph 1 of this Article shall be lodged within 15 days from the date of receipt of the decision rejecting the request for the issuance or renewal of the energy conditions or the date of the receipt of the energy conditions.~~

(1) The Applicant of the request for determining the conditions for connecting to the transmission system may file a complaint against determined conditions for connecting to the transmission system.

(2) The complaint shall be submitted to the Transmission system Operator within 15 days from the receipt of the conditions for connecting to the transmission system.

(3) The Transmission System operator shall decide on the complaint within 15 days from the day the complaint was filed.

(4) The design engineer may file a complaint to the Agency against the decision of the Transmission system Operator referred to in paragraph 3 of this Article, in accordance with the act regulating the gas market.

Article 16

~~(1) In the procedure of issuing the act approving the construction, the Transmission System Operator shall check whether the applied solutions in the technical documentation are in compliance with the energy conditions~~

~~(2) Based on the documentation referred to in paragraph 1 of this Article, the Transmission System Operator may issue a certificate of compliance of the technical documentation with the energy conditions or request compliance of the applied solutions with the energy conditions.~~

(1) Transmission System Operator shall adopt an ordonance suspending the procedure if, based on the submitted request referred to in Article 12, it is not possible to determine the conditions for connecting to the transmission system pursuant to this Network Code and other regulations regulating gas market or, if after the verification of technical and technological preconditions for connecting to the transmission system at the requested location, it is determined that there is no possibility of connecting to the transmission system.

(2) The design engineer may lodge an appeal to the Agency against the ordonance on the suspension of the procedure for determining the conditions for connecting to the transmission system, within 15 days from the date of decision delivery.

Pre-Agreement on Connecting to the Transmission System

Article 17

~~The holder of the energy conditions~~The Investor or the owner of a facility being connected to the transmission system or the Transmission System Operator has the right to request that a pre-agreement on connecting to the transmission system is concluded.

Energy Approval for Connecting to the Transmission System

Article 18

(1) ~~The energy conditions holder~~ The Investor or the facility owner shall obtain an energy approval from the Transmission System Operator prior to connecting to the transmission system.

(2) The request form for the issuance of energy approval is published on the website by the Transmission System Operator.

(3) In case of connection of a new building to the transmission system, ~~the energy conditions holder~~ the investor or the facility owner, in addition to the request referred to in paragraph 2 of this Article, shall enclose the act approving the construction in accordance with the regulations governing physical planning and construction.

(4) In case of connection of an existing building to the transmission system, ~~the energy conditions holder~~ the investor or the facility owner, in addition to the request referred to in paragraph 2 of this Article, shall enclose the project documentation proving that the conditions for the connection of the existing building to the transmission system in accordance with the regulations governing physical planning and construction, are met.

(5) In the case referred to in paragraph 4 of this Article, the Transmission System Operator shall issue an energy approval to the applicant, if the main project and the project documentation are in compliance with the ~~energy~~ conditions for connecting to the transmission system and if ~~the energy conditions holder~~ the investor or the facility owner has obtained the act approving the construction or if special conditions for connection of an existing building to the transmission system are met according to the regulations governing physical planning and construction.

Article 19

(1) Energy approval contains information about:

a) the investor or owner of the building,
b) the act proving the legality of the building pursuant to the regulations governing physical planning and construction,
c) connection capacity,
d) pressure conditions at the connection,
e) purpose of gas consumption,
f) billing metering point, and
g) instructions on the right to legal remedy.

(2) Energy approval may also contain:

a) specification of the equipment which needs to be installed or refurbished,
b) information on the measuring equipment,
c) access to the billing metering point signals,

d) mandatory gas installation testing,

e) information related to the creation of technical conditions in the transmission system, and

f) other information in relation to connection.

Regular and extraordinary creation of technical conditions in the transmission system

Article 20

(1) The Transmission System Operator shall perform the necessary activities to ensure the creation of technical conditions in the transmission system for the purpose of connection to the transmission system or the increase of the connection capacity at an existing connection.

(2) Creation of technical conditions in the transmission system shall be ensured by the Transmission System Operator in a regular or extraordinary procedure.

(2) The cost of regular creation of technical conditions in the transmission system is financed from fees for the transmission system use.

(3) The cost of extraordinary creation of technical conditions in the transmission system is financed from fees for connecting to the transmission system.

Article 21

The regular creation of technical conditions in the transmission system is carried out in accordance with the transmission system development plan.

Article 22

(1) The extraordinary creation of technical conditions in the transmission system is carried out at the request of the connection investor.

(2) In case of the need for extraordinary creation of technical conditions in the transmission system for the construction of a new connection or the increase of the connection capacity, the Transmission System Operator shall prepare a study of the extraordinary creation of technical conditions in the transmission system.

(3) The study referred to in paragraph 2 of this Article shall contain at least:

a) technical details of the construction of new parts or reconstruction of the existing parts of the transmission system,

b) compliance of the construction of new parts or reconstruction of the existing parts of the transmission system with the spatial-planning documentation,

c) list of corresponding approvals which need to be obtained in relation to the regulations governing physical planning and construction,

d) estimated cost of construction of new parts or reconstruction of the existing parts of the transmission system,

e) list of buildings which can be connected to the transmission system in the event that new parts are built, or the existing parts of the transmission system are reconstructed

f) list of buildings whose connection investors are interested in financing new parts of the transmission system

g) estimated total connection capacity resulting from extraordinary creation of technical conditions,

h) estimated individual connection capacity resulting from extraordinary creation of technical conditions,

i) total projected cost of the extraordinary creation of technical conditions in the transmission system

j) manner of cost distribution for extraordinary creation of technical conditions.

(4) The costs of preparation of the study referred to in paragraph 2 of this Article shall be covered by the connection investor according to the price list of the Transmission System Operator non-standard services.

(5) As an exception to paragraph 2 of this Article, a legal entity or natural person authorised to design, may prepare the study.

(6) In the case referred to in paragraph 5 of this Article, the Transmission System Operator shall verify and consent to the study if it is prepared in accordance with paragraph 3 of this Article.

(7) The Transmission System Operator and the connection investor shall conclude a contract regulating mutual rights and obligations in relation to the extraordinary creation of technical conditions in the transmission system, taking into account the facts from the study on the extraordinary creation of technical conditions in the transmission system.

(8) The manner of distribution of possible cost difference between the estimated construction costs of new parts or reconstruction of the existing parts of the transmission system and the actual cost of construction of new parts or reconstruction of the existing parts of the transmission system, is an essential part of the agreement referred to in paragraph 7 of this Article.

Validity and Extension of the Validity Period of Energy Approval

Article 23

(1) The energy approval shall cease to be valid if the energy approval holder does not conclude a contract for connection to the transmission system with the Transmission System Operator, within three years from the date of obtaining the energy approval.

(2) Except in the case referred to in paragraph 1 of this Article, the energy approval shall cease to be valid on the basis of a notice by the energy approval holder on the permanent discontinuation of the use of the relevant connection.

(3) At the request of the energy approval holder, the Transmission System Operator may extend the validity of the energy approval for no more than two years, but only if the request was submitted before the expiration of the energy approval.

(4) The costs of obtaining energy approval shall be charged in accordance with the price list of the Transmission System Operator non-standard services.

Article 24

(1) The applicant referred to in Article 18 paragraph 1 and Article 23 paragraph 3, whose request for the issuance of energy approval has been rejected or is dissatisfied with the conditions of the issued energy approval has the right to lodge ~~a complaint~~ an appeal o the Agency.

(2) The ~~complaint~~appeal referred to in paragraph 1 of this Article shall be lodged within 15 days from the day of receipt of the decision rejecting the request for the issuance of the energy approval or extension of the energy approval or the decision issuing the energy approval.

Request for Connection to the Transmission System

Article 25

The request for connection is submitted by the investor of the connection, and it contains the following:

a) name, address and contact information of the investor of the connection,

b) information on the building being connected to the transmission system, which includes the location of the building, the number of the energy approval and the building use permit,

c) if the request refers to a temporary connection of the building being connected to the transmission system, the investor shall submit written statements of the connection investor or owner of the building, the supervising engineer and contractor on assuming responsibility during the temporary commissioning of the connection,

d) certificate that the technical conditions for the physical connection of the newly built facility to the transmission system have been satisfied,

e) name, address and contact information of the connection contractor in the event that the construction of the connection is not carried out by the Transmission System Operator,

f) name, surname and contact information on the responsible person of the connection contractor that is in charge of construction, or rather certain works on the connection construction, in the event that the construction of the connection is not carried out by the Transmission System Operator,

g) information on the projected start and end of the connection construction works in the event that the construction of the connection is not carried out by the Transmission System Operator, and

h) other information in relation to connection of a building.

Agreement on Connection to the Transmission System

Article 26

(1) The agreement on connection to the transmission system shall be concluded by the Transmission System Operator and the Distribution System Operator, the LNG and/or CNG supply point operator, the Closed Distribution System Organiser or the Gas Storage System Operator or the Natural Gas Producer or the LNG Terminal Operator, or the Final Customer in the procedure of connecting to the transmission system and in the procedure of increasing the connection capacity.

(2) The agreement on connecting to the transmission system shall regulate the conditions of connection to the transmission system, constructing the connection, financial and other obligations of the contracting parties.

(3) The agreement on connecting to the transmission system shall contain at least the following information:

a) contracting parties,

b) energy approval and other technical documentation,

c) technical conditions of connecting the equipment and the creation of technical conditions in the transmission system,

d) technical information on the construction of the connection with the specified transmission system entry or exit point,

e) amount of the connection fee,

f) payment method,

g) connection construction deadline,

h) time and place of connection.

(4) The deadline referred to in paragraph 3(g) of this Article does not include any delay of activities which the Transmission System Operator had no influence over (approval of administrative bodies, obtaining location and building permits, solving property-rights relations, construction of the connection by connection contractor selected by the investor or the owner of the building, events on the building site and similar), about which the Transmission System Operator informs the other contracting party in a timely manner.

(5) The payment schedule of the connection fee for the construction of the connection to the transmission system is determined by the agreement on connecting to the transmission system.

(6) The Transmission System Operator publishes the template agreement on connecting to the transmission system on its website.

Construction of a Connection and Increase of Connection Capacity

Article 27

(1) Construction of a connection constitutes a set of actions undertaken to ensure the conditions for connection of buildings to the transmission system.

(2) Connection construction includes the creation of technical conditions in the transmission system and the execution of the connection.

Article 28

(1) The execution of a connection shall be carried out in accordance with the energy approval, the Agreement on connecting to the transmission system, the Network Code, the Methodology of determining the fee for connection to the gas distribution or transmission system and for the increase of the connection capacity, and other regulations governing the energy sector, regulation of energy activity, the gas market, and physical planning and construction.

~~(2) In case of the need to reconstruct the measuring-reduction station at the request of the connection investor, due to the construction of the connection or the increase of the connection capacity, where the construction permit needs be obtained, changed or amended, the Transmission System Operator shall prepare a study on the execution of the connection~~

~~(3) The study referred to in paragraph 2 of this Article shall contain at least:~~

~~a) technical details of the measuring-reduction station reconstruction,~~

~~b) compliance of the measuring-reduction station reconstruction with the spatial-planning documentation,~~

~~c) list of corresponding approvals which need to be obtained in relation to the regulations which govern physical planning and construction,~~

~~d) estimated costs of the measuring-reduction station reconstruction,~~

~~e) list of buildings which can be connected to the transmission system in the event of measuring-reduction station reconstruction,~~

~~f) list of buildings whose connection investors are interested in the reconstruction of the measuring-reduction station,~~

~~g) estimated total connection capacity resulting from the reconstruction of the measuring-reduction station,~~

~~h) estimated individual connection capacity resulting from the reconstruction of the measuring-reduction station,~~

~~i) total projected costs of the measuring-reduction station reconstruction,~~

~~j) cost distribution mode for the reconstruction of the measuring-reduction station.~~

~~(4) The costs of preparation of the study referred to in paragraph 2 of this Article shall be covered by the connection investor according to the price list of the Transmission System Operator non-standard services.~~

~~(5) As an exception from paragraph 2 of this Article, a legal entity or natural person authorised to design may prepare the study.~~

~~(6) In the case referred to in paragraph 5 of this Article, the Transmission System Operator shall verify and consent to the study if it is prepared in accordance with paragraph 3 of this Article.~~

(2~~7~~) The preparatory and finishing works for connecting to the transmission system shall always be carried out by the Transmission System Operator.

(3~~8~~) The cost of the works referred to in paragraph 2~~7~~ of this Article shall be covered by the connection investor, in accordance with the Methodology of determining the fee for connection to the gas distribution or transmission system and for increasing the connection capacity.

(4~~9~~) The connection shall be constructed by the connection contractor chosen by the connection investor, and in case the connection investor does not choose the contractor or it was otherwise contracted, the connection contractor shall be chosen by the Transmission System Operator.

(5~~10~~) The connection contractor shall prove to the Transmission System Operator that it possesses professional and technical knowledge, personnel qualifications, technical equipment, qualifications and the required professional authorisations to carry out construction work on the connection.

(6~~11~~) The Transmission System Operator shall verify the evidence referred to in paragraph 5~~10~~ of this Article taking into account the scope and complexity of the operations described in the study on the execution of the connection.

(7~~12~~) The Transmission System Operator shall have the right, during and after the construction of the connection, to verify the compliance of the connection with the main project providing the technical solution of the connection.

(8~~13~~) The connection capacity is increased when the connection capacity of the building is greater than the existing technical capacity of the connection.

(9~~14~~) In the event the connection capacity is increased, the connection investor bears the cost of constructing the connection elements, except from the cost of assembly and disassembly of gas meters and other measuring, regulation and safety equipment, in accordance with the Methodology of determining the fee for connection to the gas distribution or transmission system and for the increase of the connection capacity.

(10~~15~~) In the case referred to in paragraph 9~~14~~ of this Article, the cost of assembly and disassembly of gas meters and other measuring, regulation and safety equipment, shall be covered by the connection investor according to the price list for the Transmission System Operator non-standard services.

Article 29

(1) The Transmission System Operator shall connect the building in accordance with the concluded Agreement on connecting to the transmission system, provided all the terms and conditions of the agreement have been met.

(2) The Transmission System Operator shall maintain the connection at its own expense.

(3) The owner of the building referred to in paragraph 1 of this Article shall carry out the tests and examinations of the building stipulated by the legislation and other regulations and the best technical practice, in order to ensure regular operation, safety and integrity of the building connected to the transmission system.

(4) The Transmission System Operator shall not be liable for damage resulting from a malfunction of the building referred to in paragraph 1 of this Article.

(5) The owner of the building of the Final Customer shall notify the Transmission System Operator no later than 1 October each year about the measures referred to in paragraph 3 of this Article.

(6) When the owner of the building of the Final Customer concludes a contract with a third party for the purpose of fulfilling the obligations referred to in paragraph 3 of this Article, it shall notify the Transmission System Operator without delay.

Article 30

(1) The Transmission System Operator shall temporarily connect a building which is being connected to the transmission system for the purpose of testing gas devices and installations and a trial run if the trial run is provided for in the main project, and on the basis of a written request of the connection investor and a written statement of the connection investor, supervisory engineer and connection contractor on assuming responsibility during the temporary putting into operation of the connection.

(2) The Transmission System Operator shall put into operation the connection of the building to the transmission system, based on the Agreement on connecting to the transmission system, provided that the connection investor has fulfilled all financial and other obligations from the Agreement on connecting to the transmission system and has obtained the use permit for the building being connected to the transmission system.

(3) The Transmission System Operator shall put the connection into operation after the Gas Transmission Contract has been concluded for the relevant connection, and in case all the terms and conditions of the connection agreement have been fulfilled.

(4) The Transmission System Operator shall start providing the gas transmission service on the date of commencement of the use of the transmission system capacity referred to in the concluded Gas Transmission Contract if the conditions referred to in paragraph 3 of this Article have been met.

(5) The Transmission System Operator shall, at least three days before the building connection is put into operation, inform in writing the connection investor and its gas supplier, which has previously contracted capacity at the mentioned connection, on the day and hour when the building connection shall be put into operation.

V CONNECTING THE TRANSMISSION SYSTEM TO OTHER PARTS OF THE GAS SYSTEM

Article 31

(1) The transmission system is connected to other parts of the gas system in order to create preconditions for safe and reliable gas supply.

(2) In order to ensure technically adequate, safe, reliable and efficient operation of interconnected transmission systems of neighbouring countries, the Operators of the relevant transmission systems shall conclude a bilateral agreement regulating the operating conditions of the interconnected transmission systems of neighbouring countries, as well as mutual

cooperation and management procedures, communication and exchange of information between the Operators of the relevant transmission systems.

(3) In order to ensure technically adequate, safe, reliable and efficient operation of interconnected systems, the Transmission System Operator shall conclude a contract with the Distribution System Operator, the Closed Distribution System Organiser, the Gas Storage System Operator, the LNG Terminal Operator, the LNG and/or CNG Supply Point Operator, which regulates the following:

a) technical description of the connection and the relevant documentation,

b) rules for maintenance of the connected systems,

c) rules for access to the measuring signals,

d) emergency situation procedures,

e) exchange of information, and

f) contact information for communication between the Operators of connected systems.

(4) If a Distribution System Operator or a Closed Distribution System Organiser or a Gas Storage System Operator or LNG Terminal Operator or an LNG and/or CNG Supply Point Operator or a Natural Gas Producer or a Final Customer requests access to a metering signal that is not available, the additional equipping of the connection for this purpose is considered a non-standard service.

(5) The Transmission System Operator shall publish on the website the standard contract referred to in paragraph 3 of this Article, concluded with the Distribution System Operator.

Joint Exit from the Transmission System

Article 32

(1) If the transmission system and individual distribution systems are connected through multiple exits from the transmission system and if those connected parts of the distribution system represent a hydraulic unit, the Transmission System Operator may, in a special agreement with the Distribution System Operator, define the introduction of a joint exit from the transmission system consisting of the relevant exits.

(2) The Transmission System Operator and the Distribution System Operator shall conclude the agreement referred to in paragraph 1 of this Article no later than 15 days before the deadline for the submission of requests for booking capacities for the annual standard capacity product.

(3) The Transmission System Operator publishes a standard agreement on introducing a joint exit from the transmission system on its website.

(4) The agreement referred to in paragraph 3 of this Article contains at least the following information:

a) contracting parties,

b) exits from the transmission system included in the joint exit,

c) start of application,

d) capacity of the joint exit, expressed in kWh/h,

e) determining the operating mode of the exits from the transmission system which constitute the joint exit.

(5) The joint exit is used in the procedures for the transmission system capacity booking, nomination for the use of capacities, allocation of gas quantities measured at individual exits from the transmission system and reporting.

VI SUPERVISION AND MANAGEMENT OF THE TRANSMISSION SYSTEM

Article 33

(1) The Transmission System Operator continuously monitors the transmission system operation in order to ensure reliable and secure transmission of gas, efficient and reliable management of the transmission system, balancing of the transmission system and fulfilment of contractual obligations at prescribed pressure and gas quality conditions.

(2) The supervision of the transmission system operation and management of the transmission system is carried out continuously from the Transmission System Operator's dispatch centre, as well as through systematic operational supervision of the transmission system, local management of the technological facilities, appropriate and timely preparation of the transmission system for special operating conditions, analysis of conditions in the system, anticipation of changes in the transmission system linepack, timely forwarding of information on the status of the transmission system, status of equipment and system elements, physical supervision of technological facilities, systematic preventive and corrective maintenance thereof.

Article 34

In order to monitor and manage the transmission system, the Transmission System Operator uses measuring, information and telecommunication systems enabling the following:

a) constant supervision over technological parameters and management of key facilities of the transmission system in real time,

b) detection of disturbances in the technological process of gas transmission and imbalance of the transmission system,

c) preparation of hydraulic calculations and simulations of the transmissions system status, determining the gas quantity in the transmission system and the change of operational linepack,

d) measuring, recording and centralized gathering of data on the achieved gas flow at the entries into the transmission system and exits from the transmission system,

e) communication connectivity with the management/dispatch centres of the operators of connected systems in order to exchange process data,

f) data exchange and operational communication with the Balance Responsible Party and Gas Market Operator,

g) operational communication with the Transmission System User,

h) operational communication with the Distribution System Operator or Closed Distribution System Organiser or Storage System Operator or LNG Terminal Operator or Natural Gas Producer or Final customer connected to the transmission system, reporting on the realised use of the transmission system and balancing energy.

Rules for using the operational reserve

Article 35

(1) If the Transmission System Operator owns the operational reserve, it used for the purpose of optimal management of technological process of gas transmission which includes the following:

a) balancing the total linepack status of the transmission system with the current load and transmission system operating mode depending on the intensity of use of individual entries and exits from the transmission system,

b) temporary corrections of the total linepack status of the transmission system for the purpose of preparing the transmission system for the works on the transmission system, gas storage system, plants and the production gas pipelines network of Natural Gas Producers, network system of LNG operators, transmission system of the neighbouring countries, which can have an impact on the transmission system operation,

c) temporary corrections of the total linepack status of the transmission system due to losses and measuring differences,

d) temporary compensation for the reduction of the total linepack status of the transmission system due to damage and performance of repair works on the gas pipelines,

e) other required corrections to the linepack status of the transmission system.

(2) The Transmission System Operator performs the booking and use of the storage system capacity for the requirements of maintenance and use of operational reserve, in accordance with the Rules for using the gas storage system.

Transmission System Pressure

Article 36

(1) For physical entries into the transmission system within the territory of the Republic of Croatia, with the nominal pressure of 75 bar, the lowest input pressure is 70 bar, and for physical entries into the transmission system with the nominal pressure of 50 bar, the lowest input pressure is 45 bar, whereby the highest input pressure cannot be higher than the nominal pressure.

(2) The pressure at which the Transmission System User inputs gas into the transmission system may be lower than the values prescribed in paragraph 1 of this Article at certain physical entries into the transmission system, provided that this does not affect the operation

of the transmission system, as well as the fulfilment of contractual obligations of the Transmission System Operator and other Transmission System Users.

(3) The Transmission System Operator has the right to deny or restrict off-take of gas which the Transmission System User inputs into the Transmission System at a pressure lower than the value prescribed in paragraph 1 of this Article, of which it previously notifies the Transmission System User.

(4) The Transmission System Operator publishes the pressure values for individual physical entries into the transmission system on its website.

Article 37

(1) The lowest output pressure is 3 bar for physical exits from the transmission system within the borders of the Republic of Croatia.

(2) The pressure value for the physical exit from the transmission system is defined in the energy approval.

(3) The Transmission System Operator publishes the pressure values for physical exits from the transmission system on its website.

(4) The temporary change of output pressure at a specific physical exit from the transmission system is possible on the request of the Distribution System Operator, Closed Distribution System Organiser or the Final customer.

(5) The service referred to in paragraph 4 of this Article shall be considered a non-standard service and shall be charged according to the price list of the Transmission System Operator non-standard services.

(6) The request for the temporary change of output pressure shall be delivered to the Transmission System Operator no later than five business days before the day on which the change of the output pressure is required on a specific physical exit from the transmission system.

(7) The request referred to in paragraph 6 of this Article shall contain at least the information on the applicant, the physical exit from the transmission system for which the change of pressure is requested, the starting date, the duration and the reasons for the temporary change of the output pressure.

(8) The acceptability of the request referred to in paragraph 6 of this Article, is evaluated by the Transmission System Operator, taking into account the possible impact of such changes of output pressure on the safety and reliability of the transmission system and on the fulfilment of contractual obligations of the Transmission System Operator and other Transmission System Users.

(9) The Transmission System Operator shall notify the applicant on the acceptability of the request within two business days from the day the request referred to in paragraph 6 of this Article is received.

Article 38

The interconnection pressure value is defined by the bilateral agreement for interconnection and the pressure values for all other physical entries into the transmission system are defined in the energy approval.

Gas Quality in the Transmission System

Article 39

~~(1) The Transmission System User that has contracted capacities at the entry into the transmission system shall ensure gas of standard quality, whereby the calorific gas value of the input gas can deviate no more than ±5% from the average calorific value of gas at the corresponding entry, determined for the period from 1 January until 31 December of the previous year or from the calorific value of gas announced by the Transmission System User at least five days before the commencement of gas input into the transmission system.~~

(1) The Transmission System User that has contracted capacities at the entry into the transmission system at the interconnection shall ensure that the gas entering the transmission system at the interconnection is of a standard quality.

(2) The Natural gas Producer, Gas Storage System Operator and LNG Terminal Operator shall ensure that the gas they input into the transmission system is of a standard quality.

(3) The Natural Gas Producer referred to in paragraph 2 shall ensure that the calorific value of input gas does not deviate more than ±5% from the average calorific value of gas at the relevant entry, determined for the period from 1 January to 31 December of the previous year or from the calorific value of gas the Transmission System User announced at least five business days before the beginning of the input of gas into the transmission system.

~~(4) In the case referred to in paragraph 3 of this Article, the Transmission System User shall inform the Transmission System Operator on a timely and regular basis of the planned and undertaken measures.~~

(4) The LNG Terminal Operator referred to in paragraph 2 shall deliver to the Transmission System Operator an estimate of the gas quality specification for the gas it intends to input into the transmission system, at least five business days before the beginning of the input of gas into the transmission system and shall deliver a report on the quality and quantity of the unloaded LNG after the unloading is completed.

(5~~2~~) The Transmission System User, Natural Gas Producer, Gas Storage System Operator and LNG Terminal Operator inputting gas at the entry into the transmission system, shall notify the Transmission System Operator on all the circumstances which can affect the quality of gas, at least five business days in advance for foreseeable circumstances, and without delay for unforeseeable circumstances.

(6~~3~~) If the Transmission System Operator ascertains that gas of non-standard quality is input into the transmission system at an individual entry, the Transmission System User, that contracted capacities at that entry, Natural Gas Producer, Gas Storage System Operator and LNG Terminal Operator shall at the request of the Transmission System Operator and without delay, undertake measures to ensure, in the shortest possible period, the input of gas of

standard quality, or suspend gas input into the transmission system, and shall regularly inform the Transmission System Operator on the undertaken and planned measures.

(7~~5~~) In the event that the Transmission System User, Natural Gas Producer, Gas Storage System Operator and LNG Terminal Operator do~~es~~ not act in accordance with paragraph 6~~3~~ of this Article, the Transmission System Operator has the right to suspend the off-take of gas into the transmission system.

(8~~6~~) The Transmission System Operator shall notify the Final Customers, the Distribution System Operator and the Closed Distribution System Organiser about the circumstances referred to in paragraph 3 of this Article ~~if they can have an impact on the Final Customers~~.

(9~~7~~) The Transmission System User, Natural Gas Producer, Gas Storage System Operator and LNG Terminal Operator ~~or the Natural Gas Producer connected to the transmission system~~ that input gas of non-standard quality into the transmission system, shall compensate for all expenses and damage caused to the Transmission System Operator, Storage System Operator, Distribution System Operator, Closed Distribution System Organiser, Transmission System User and the Final Customer connected to the transmission or distribution system, due to input of gas of non-standard quality.

(10~~8~~) The Transmission System Operator shall inform the Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, Transmission System User or the Final Customer connected to the transmission or distribution system that has suffered damage due to input of gas of non-standard quality, upon their request, about the Transmission System User, Natural Gas Producer, Gas Storage System Operator and LNG Terminal Operator ~~or the Natural Gas Producer connected to the transmission system~~ that input gas of non-standard quality into the transmission system.

Article 40

(1) As an exception to Article 39, the Transmission System Operator may off-take gas the quality of which deviates from the prescribed standard quality, in the peripheral parts of the transmission system of lower operating pressure, from which the gas is not transported to other parts of the transmission system.

(2) The Transmission System Operator shall, in the event referred to in paragraph 1 of this Article, off-take the gas if this does not endanger the safety and reliability of the transmission system and the fulfilment of contractual obligations of the Transmission System Operator and if there is a written consent of the Distribution System Operator or Closed Distribution System Organiser into which such gas is input and/or the Final Customer connected to the peripheral part of the transmission system referred to in paragraph 1 of this Article, to accept gas deviating from standard quality.

(3) In the event referred to in paragraph 2 of this Article, the Distribution System Operator or Closed Distribution System Organiser and/or Final Customer connected to the peripheral part of the transmission system, fully take responsibility for possible disruptions and damage on their own installations and facilities and/or installations and facilities of the Final Customers they deliver gas to, occurred due to taking over of gas deviating from standard quality.

Article 41

(1) In the event of liquid technological impurities in the transmission system, the Transmission System Operator shall, if possible, separate them from the transmission system by using built-in devices for separating liquid technological impurities.

(2) The Transmission System User that has been found to have delivered liquid technological impurity into the transmission system, shall remove and dispose of the separated liquid technological impurity, at its own expense, upon the first request of the Transmission System Operator, but no later than 48 hours from the from the request of the Transmission System Operator.

(3) The removal of liquid technological impurities from devices for the separation of liquid technological impurities referred to in paragraph 2 of this Article, is carried out under mandatory supervision of the Transmission System Operator.

(4) The supervision referred to in paragraph 3 of this Article shall be charged as a non-standard service according to the price list of the Transmission System Operator non-standard services.

(5) In the event that a Transmission System User fails to comply with paragraph 2 of this Article, liquid technological impurities shall be removed and disposed of by the Transmission System Operator in the legally prescribed manner.

(6) The Transmission System Operator shall charge the Transmission System User found responsible, for the removal and disposal costs, as a non-standard service in accordance with the price list of the Transmission System Operator non-standard services.

Monitoring the Gas Quality in the Transmission System

Article 42 [1]

~~(1) The Transmission System Operator monitors the quality of gas with its own gas quality monitoring system which includes all data on the gas quality in the transmission system, regardless on the ownership of the equipment for measuring the gas quality parameters, sampling frequency and laboratory gas analyses.~~

~~(2) The Transmission System Operator publishes the report on the gas quality for individual specific points, on the first business day after the expiry of the half-month period for that half-month period, on the website.~~

~~(3) The Transmission System Operator shall publish on its website the annual gas quality report for the previous year.~~

(1) The Transmission System Operator monitors gas quality in the transmission system in order to prevent occurence of gas of non-standard quality, for the purpose of determining the calorific value of gas for the calculation of gas energy and for the purpose of providing information on the gas quality in the transmission system.

(2) The Transmission System Operator monitors gas quality using its own gas quality monitoring system which enables recording and central collection of data on natural gas quality

[1] *Amendments to Art. 42 (OG 106/21) enter into force od 1/10/2022.*

from all sampling locations, regardless of the ownership of the gas quality parameters measuring equipment, sampling frequency and laboratory gas analyses.

(3) Every third business day upon the expiry of the half-month period, the Transmission System Operator publishes on its website mean daily values of determined gas quality parameters for the relevant period for all sampling locations.

(4) Every business day, the Transmission System Operator publishes on its website provisional data on the mean daily gross calorific value ~~net calorific value~~ for the previous gas day for each transmission system exit which is not a part of a joint exit, as well as quantitatively weighted mean daily gross calorific value ~~net calorific value~~ for each joint transmission system exit.

(5) Every third business day upon the expiry of the half-month period, the Transmission System Operator publishes on its website provisional data on the quantitatively weighted mean gross calorific value ~~net calorific value~~ for the half-month period for each transmission system exit which is not a part of the joint exit, as well as quantitatively weighted mean daily gross calorific value ~~net calorific value~~ for each joint transmission system exit.

(6) Every third business day of the month, for the previous month, for each transmission system exit which is not a part of the joint exit, the Transmission System Operator publishes on its website final information about the following:

a) mean daily gross calorific value ~~net calorific value~~ used for calculating delivered gas energy, for each gas day of the previous month,

b) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the period from the first to the fifteenth day of the month,

c) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the period from the sixteenth to the last day of the month,

d) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the whole previous month.

(7) Every third business day of the month, for the previous month, for each joint transmission system exit, the Transmission System Operator publishes on its website final information about:

a) quantitatively weighted mean gross calorific value ~~net calorific value~~ for each gas day of the previous month,

b) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the period from the first to the fifteenth day of the month,

c) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the period from the sixteenth to the last day of the month,

d) quantitatively weighted mean gross calorific value ~~net calorific value~~ for the whole previous month.

(8) Quantitatively weighted mean net calorific value for the joint transmission system exit is calculated by dividing the total quantity of delivered gas energy by the total volume of gas delivered at all physical transmission system exits constituting the joint exit in the relevant period of time.

Management and Procedures in Emergency Situations and State of Crisis

Article 43

(1) An emergency situation is considered to be every technical disturbance in the transmission system consequences of which directly endanger the safety and the lives of people, property and the environment, cause restriction of transmission system capacity use and endanger the gas supply.

(2) Aside from the technical disturbance in the transmission system referred to in paragraph 1 of this Article, an emergency situation is also considered to be an imbalance of the transmission system, remaining after the implementation of measures referred to in Article 44, which causes the restriction of transmission system capacity use and endangers the security of gas supply.

(3) In the event of an emergency situation in the transmission system referred to in paragraph 1 of this Article, the Transmission System Operator undertakes, without delay, the following measures for the purpose of ensuring the maintenance of viability of the transmission system and reducing the impact of the disturbance on the possibility of transmission system capacity use and security of gas supply:

a) notifying the competent public service and bodies,
b) removal of the cause of danger to the safety of people and property,
c) diverting the transmission flows through gas pipelines not affected by the disturbance,
d) using the available operational linepack of the gas pipeline and operational reserve.

(4) If the emergency situation referred to in paragraph 1 and 2 of this Article causes the termination of gas transmission, the restriction of the transmission system capacity use, or endangers the security of gas supply, the Transmission System Operator immediately notifies the Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, the LNG Terminal Operator, the LNG and/or CNG Supply Point Operator, the Natural Gas Producer, Final Customer connected to the transmission system, Balance Responsible Party, and Transmission System User affected by the event, about the disturbance, its consequences and expected duration, in order for them to undertake their own security measures, balancing measures and, if required, to submit a re-nomination of transmission.

(5) The emergency notification of users in the event referred to in paragraph 4 of this Article, is carried out in accordance with Articles 133, 134 and 135 of this Network Code.

(6) In the event a state of crisis is declared, the Transmission System Operator shall manage the transmission system and take measures established by the authority responsible for security of gas supply in accordance with the SOS Regulation, the legislation governing the gas market, the prevention and intervention plans and other regulations governing the security of gas supply.

(7) In the event of a state of crisis, The Transmission System Operator and the Transmission System User, the Distribution System Operator, the Closed Distribution System Organiser, the LNG and/or CNG Supply Point Operator, the Storage System Operator, the LNG Terminal Operator, the Final Customer, and the Natural Gas Producer, shall act in accordance with the provisions of the Transmission System Operator's Plan for state of crisis.

VII BALANCING

Article 44

(1) The Transmission System Operator performs the transmission system balancing on a gas day level pursuant to the provisions of the BAL Regulation and the Rules on gas market organisation.

(2) Balancing rules do not apply in case of implementation of non-market –based measures for the security of supply, for the purpose of elimination of state of crisis, and in accordance with the Decision on adopting the Intervention plan on the measures to safeguard the security of gas supply of the Republic of Croatia, and the SOS Regulation.

Balancing Zone

Article 45

(1) Transmission system is a balancing zone.

(2) The balancing zone comprises all transmission system entries and transmission system exits including the virtual trading point as well.

Responsibility for the Balancing

Article 46

A Balance Responsible Party is primarily responsible for balancing the portfolio of the balance group it organizes and leads so that the Transmission System Operator would undertake as few balancing actions as possible.

Providing Information on balancing

Article 47

(1) During gas day D the Transmission System Operator determines and publishes on its official website the estimated total imbalance, every hour within the period from 9:30 AM to 10:30 PM.

(2) The Transmission System Operator publishes on its official website, during gas day D, every hour, within the period from 9:30 AM to 10:30 PM, data on the quantity of gas measured in the previous hours of the gas day D, expressed as an aggregated amount for the transmission system exits towards the distribution systems.

(3) In gas day D the Transmission System Operator enables the Balance Responsible Party to access data ~~from the SMCTS information platform~~ on the achieved flows at the transmission system entries and the transmission system exits for the relevant balance group for the previous hours of the gas day D, pursuant to Article114.

(4) The Transmission System Operator shall take all necessary steps to ensure the highest possible availability and accuracy of data at the time of their publication. Data referred to in paragraphs 1, 2, and 3 of this Article are given for information purposes only and the

Transmission System Operator cannot guarantee the accuracy and completeness of the published data.

~~(5) Based on the information provided by the Forecasting Party, the Transmission System Operator shall deliver to the Balance Responsible Party the gas off-take forecast by the Transmission System Users that are members of the balance group it organises and manages.~~

~~(6) The Forecasting Party produces forecasts by using the methodology for the forecast of network user's non daily metered off-takes of gas for the billing metering points pursuant to the BAL Regulation.~~

~~(7) The Forecasting Party shall organise a coordination authority for the development and application of the methodology referred to in paragraph 6 of this Article in which the representatives of the Transmission System Operator, Distribution System Operator, Gas Market Operator and the Balance Responsible Party shall participate on the request of the Forecasting Party. The Coordination authority shall meet at least once in 60 days. The Forecasting Party shall deliver the report from the coordination body meeting to the Agency.~~

~~(8) The Forecasting Party adopts the methodology referred to in paragraph 6 of this Article, on the request of the coordination body referred to in paragraph 7 of this Article, upon the carried out consultation with the Transmission System Operator, Distribution System Operators, Gas Market Operators and Balance Responsible Parties.~~

Gas off-take forecasting

Article 47 a

(1) The Transmission System Operator, as the forecasting party, makes gas off-take forecasts in accordance with BAL Regulation, by applying the Methodology for gas off-take forecasting from Appendix II of this Network Code.

(2) In gas day D-1, by 12:00 (noon) at the latest, the Transmission System Operator, as the forecasting party, provides all ~~suppliers~~ Transmission System Users and balance responsible parties with access to the results of their gas off-take forecasting for gas day D.

(3) In gas day D, the Transmission System Operator, as the forecasting party, provides ~~suppliers~~ Transmission System Users and balance responsible parties with access to updated forecasts of their gas off-take for gas day D, twice within the following terms:

a) first update by 1:00 PM at the latest and
b) second update by 5:00 PM at the latest.

(4) The update of gas off-take forecast within gas day D is carried out according to the procedure described in Article 4 of the Methodology from Appendix II of this Network Code, taking into account the updated forecast of average daily temperature for gas day D.

(5) Providing information on gas off-take forecasting is not considered as providing any specific guarantee, except the guarantee regarding the accessibility of the information in a form and in a manner prescribed by this Network Code and the Methodology from Appendix II of this Network Code.

Balancing Actions

Article 48

(1) Transmission System Operator determines the limits of the total estimated imbalance taking into account technical characteristics and physical limits of the transmission system.

(2) Transmission System Operator publishes the limits of the total estimated imbalance on the website.

(3) In case the limits of the total estimated imbalance change, the Transmission System Operator shall announce the new limits of the total estimated imbalance on its website and inform the Balance Responsible Parties about it at least 24 hours prior to the beginning of the gas day that the relevant change refers to.

Article 49

(1) If the amount of the total estimated imbalance is beyond the published limits of the total estimated imbalance, the Transmission System Operator shall carry out balancing actions pursuant to the provisions of the BAL Regulation and the Rules on gas market organisation.

(2) In the case referred to in paragraph 1 of this Article, the Transmission System Operator performs the following balancing actions:

a) It uses available products on the trading platform of the Gas Market Operator as positive or as negative balancing energy,

b) It uses balancing energy for the balancing service.

(3) In case the total estimated imbalance is beyond the limits of the total estimated imbalance, the Transmission System Operator performs the balancing action in the amount of gas quantity which shall reduce the total estimated imbalance to the amount within the limits of the total estimated imbalance, whereby in one gas day, depending on the total estimated imbalance, it may use both positive and negative balancing energy.

Article 50

(1) The Transmission System Operator may perform balancing actions four times during gas day D on previously determined times publicly published on the website.

(2) The Transmission System Operator shall use the balancing actions in gas day D-1 for gas day D as well as the first appointed time for carrying out balancing actions in the gas day D, only exceptionally if the imbalance of balance groups threatens the transmission system operation.

(3) In the event of change in the term referred to in paragraph 1 of this Article, the Transmission System Operator shall directly inform the Balance Responsible Party, the Storage System Operator, the LNG Terminal Operator and the Gas Market Operator about it, at least two days before the start of the gas day to which the change relates.

(4) The Transmission System Operator shall also have the right to carry out balancing actions outside the published times in case of an emergency situation on the transmission system, the plant and the production gas pipelines system of the Natural Gas Producers, the Gas storage

system, the transmission system of the neighbouring Transmission System Operator, on the plant of the Final Customer, on the system of the Distribution System Operator, on the system of the LNG Terminal Operator, and when the estimated total imbalance is outside the published limits of the estimated total imbalance after the last term for carrying out the balancing actions.

(5) In the case referred to in paragraph 4 of this Article, the Transmission System Operator shall notify the Balance Responsible Party, the Gas Market Operator and the Gas Storage System Operator in the shortest possible time.

(6) In the case of carrying out balancing actions outside the published times on gas day D, the Transmission System Operator uses the product referred to in Article 49 paragraph (2)(a) of this Network Code, which the balancing energy bidder intends to secure on the Gas Storage System, the bidder shall notify the Transmission System Operator thereof after the trading has taken place.

(7) In the case of carrying out balancing actions beyond the published times on a gas day D the Transmission System Operator uses the balancing service referred to in Article 49(2)(b) of this Network Code, which the balancing service provider intends to secure on the Gas Storage System, the balancing service provider shall notify the Transmission System Operator about it after activating the balancing service.

(8) The notice referred to in paragraphs 6 and 7 of this Article shall be delivered by electronic mail to the address specified and published by the Transmission System Operator.

Article 51

(1) When carrying out balancing actions the Transmission System Operator shall give priority to the products on the trading platform. However, in cases when it is economically justified it shall give priority to the balancing energy for the balancing service.

(2) When carrying out balancing actions the Transmission System Operator shall take into account only those products offered on the trading platform that are published by the beginning of the determined time during which the balancing action is carried out.

(3) If the Gas Market Operator's trading platform does not have the corresponding products, prior to activating the balancing service the Transmission System Operator shall publish information on the required amount of balancing energy. The deadline for the submission of offers for the products on the trading platform is 15 minutes after Transmission System Operator´s publication.

(4) If the total estimated imbalance is negative, the priority on the trading platform is given to the products for purchase with the lower unit price.

(5) If the total estimated imbalance is positive, the priority on the trading platform is given to the products for sale with the higher unit price.

(6) The Transmission System Operator may derogate from the rule in paragraphs 4 and 5 of this Article and use the locational product on the trading platform which is less favourable in terms of price, if the change of gas flow at the particular local part of the transmission system is necessary to balance the transmission system or if the offered quantity of gas of more favourable product on the trading platform in terms of price is larger than the quantities of gas necessary to balance the transmission system.

(7) If at the Gas Market Operator's trading platform two or more bids are available at the same unit price, advantage shall be given to the bid with the larger gas quantity.

(8) If at the Gas Market Operator's trading platform two or more bids are available at the same unit price and with the same quantity of gas, advantage shall be given to the bid received earlier.

(9~~7~~) If the performed balancing actions are not sufficient, the Transmission System Operator notifies without delay the Balance Responsible Parties of that fact, after which the Balance Responsible Parties shall as soon as possible balance the portfolio of the balance group they organise and lead and inform the Transmission System Operator about the conducted measures and their implementation deadlines without any delay.

(10~~8~~) If the performed measures referred to in paragraph ~~7~~9 of this Article have not been implemented or are not sufficient and the further regular operation of the transmission system and security of gas supply is threatened, the Transmission System Operator shall inform the ministry in charge of energy about it.

Balancing Service Contracting Procedure

Article 52

(1) The Transmission System Operator carries out a procedure for the procurement of balancing energy for the purpose of the balancing service in accordance with the BAL Regulation and pursuant to regulations governing procurement procedures.

(2) The Transmission System Operator shall publish a call for the procurement of balancing energy for the purpose of balancing the transmission system via public media and on the website.

(3) The bidder in the procedure referred to in paragraph 1 of this Article shall submit a bid which shall contain a bid for positive balancing energy and a bid for negative balancing energy.

(4) The bid with the lowest percentage of increase from the marginal purchase price for the previous gas day determined by the Gas Market Operator and published on the website, shall be selected for the positive balancing energy, and the bid with the lowest percentage of decrease from the marginal sales price for the previous gas day determined by the Gas Market Operator and published on the website, shall be selected for the negative balancing energy.

(5) The percentage of increase in the positive balancing energy price and the percentage of the reduction in the negative balancing energy price referred to in paragraph 4 of this Article shall be fixed for the entire contract period.

(6) The balancing service provider must be a Balance Responsible Party registered in the Balance Responsible Parties Register kept by the Gas Market Operator pursuant to the provisions of the Rules on the gas market organisation.

(7) For the purpose of input of positive balancing energy, i.e. off-take of negative balancing energy, the balancing service provider shall, in a timely manner, ensure firm transmission system capacities.

(8) The balancing service provider shall provide gas quality and gas composition for the balancing energy delivery, pursuant to General terms of gas supply.

(9) The balancing service provider shall input the positive balancing energy in the amount determined by the Transmission System Operator in the procedure referred to in paragraph 1 of this Article.

(10) The available hourly quantity for positive balancing energy shall be determined in the procedure referred to in paragraph 1 of this Article, and the response period from the call of the Transmission System Operator until the commencement of the positive balancing energy activation shall be two full hours.

(11) The balancing service provider shall off-take the negative balancing energy in the amount determined by the Transmission System Operator in the procedure referred to in paragraph 1 of this Article.

(12) The available hourly quantity for negative balancing energy shall be determined in the procedure referred to in paragraph 1 of this Article, and the response period from the call of the Transmission System Operator until the commencement of the positive balancing energy activation shall be two full hours.

(13) Exceptionally, the response period stated in paragraphs 10 and 12 of this Article may be longer, but not exceeding 5 hours, with the consent of the Transmission System Operator and provided that in the remaining period until the end of the gas day the balancing service provider inputs positive balancing energy, that is, off-takes negative balancing energy in the amount stated in the order of the Transmission System Operator.

Article 53

(1) Transmission System Operator and the selected balancing service provider shall conclude an agreement on the purchase of positive balancing energy and/or an agreement on the sale of negative balancing energy for the maximum period of one year.

(2) The agreements referred to in paragraph 1 of this Article are an integral part of the procurement procedure referred to in Article 52.

(3) The selected balancing service provider, the Transmission System Operator concluded the Agreement on the purchase of positive balancing energy with, and the selected balancing service provider, the Transmission System Operator concluded the Agreement on the sale of negative balancing energy with, shall conclude the agreement regulating mutual relations referring to accounting of balancing energy for the balancing service with the Gas Market Operator after conclusion of the agreements as referred to in paragraph 1 of this Article and pursuant to the conditions from the procedure referred to in Article 52 Paragraph 1, and the accepted offer.

(4) The selected balancing service provider, the Transmission System Operator concluded the Agreement on the purchase of positive balancing energy with, shall issue the invoice to the Gas Market Operator for the positive balancing energy activated by the Transmission System Operator, and the Market Operator shall issue the invoice for the negative balancing energy activated by the Transmission System Operator, to the selected balancing service provider, the Transmission System Operator concluded the Agreement on the sale of negative balancing energy with.

(5) Paying for the activated positive balancing energy is carried out directly between the Gas Market Operator and the selected balancing service provider, the Transmission System

Operator concluded the Agreement on the purchase of positive balancing energy with, according to the reports of the Transmission System Operator and the contract terms from the agreement referred to in paragraphs 1 and 3 of this Article.

(6) Paying for the activated negative balancing energy is carried out directly between the Gas Market Operator and the selected balancing service provider, the Transmission System Operator concluded the Agreement on the sale of negative balancing energy with, according to the contract terms from the agreement referred to in paragraphs 1 and 3 of this Article.

Activation of the Balancing Service

Article 54

(1) The Transmission System Operator activates the balancing service if the trading platform lacks sufficient products and/or when the balancing service is more favourable in terms of price than the products on the trading platform.

(2) The Transmission System Operator gives an order for the activation of the balancing service to the selected provider of positive balancing energy, that is, the selected provider of negative balancing energy.

(3) The order for the activation of the balancing service contains the total balancing energy quantity expressed in hourly quantities of gas and refers to the period of two full hours from the issuance of the order until the end of the gas day.

(4) On an exceptional basis, the deadline referred to in paragraph 3 of this Article may be longer, but solely with the consent of the Transmission System Operator and provided that in the remaining period until the end of the gas day the balancing energy provider inputs, that is, off-takes quantity of balancing energy stated in the order of the Transmission System Operator.

(5) The balancing service provider shall act pursuant to the order referred to in paragraph 2 of this Article and immediately deliver the operational plan for the execution of the order to the Transmission System Operator for approval, and the appropriate re-nomination for the transmission system use.

(7) The activation of the balancing service does not defer the obligation of the selected balancing service provider to balance the balance group it organises and manages.

(8) The quantity of balancing energy in the order referred to in paragraph 2 of this Article shall be deemed realised and it shall be the subject of the accounting between the Gas Market Operator and the selected positive balancing energy provider, that is, between the Gas Market Operator and the selected negative balancing energy provider if the Transmission System Operator establishes that the balancing service provider realised the approved operational plan for the execution of the order.

VIII TRANSMISSION SYSTEM MAINTENANCE

Article 55

(1) The Transmission System Operator shall maintain the transmission system to ensure regular operation of the transmission system at the highest possible level of safety, reliability, availability and efficiency of a transmission system.

(2) For the purpose of fulfilling the obligation referred to in paragraph 1 of this Article, the Transmission System Operator shall carry out the tests and examinations stipulated by the legislation and other regulations, ensure the safety of the transmission system, supervise third party activities in the protective zone and activities on facilities ensuring the reliable and safe operation of the transmission system.

(3) The maintenance of the transmission system is carried out systematically, by planned execution of regular maintenance of the transmission system, or its parts and by remedying malfunctions and defects.

(4) Malfunctions and defects referred to in paragraph 3 of this Article are damage, leaks, measuring and other equipment malfunctions and all other circumstances which cause or can cause the restriction of transmission system capacity use, the threat to life and health of people or material property damage, occurrence of greater or new malfunctions and defects, as well as environmental pollution.

Planned and Unplanned Maintenance Activities

Article 56

(1) The Transmission System Operator shall carry out planned and unplanned maintenance activities on the transmission system.

(2) Planned maintenance activities on the transmission system which have no effect on the gas transmission or on the use of contracted transmission capacity can take place at any time without prior announcement.

(3) Planned maintenance activities on the transmission system which cause an interruption of gas transmission or can have an impact on the use of contracted transmission capacities shall be announced in advance.

(4) The Transmission System Operator shall undertake all technical actions in order to reduce the interruption of gas transmission or restriction of contracted transmission system capacity use to a minimum.

(5) Unplanned maintenance activities which cause an interruption of gas transmission or restriction of contracted capacity use can be performed only in the event of malfunctions and defects which can endanger the lives and health of people or cause material damage, and environmental pollution.

Restriction and Suspension of Gas Delivery Due to Planned Maintenance Activities

Article 57

(1) Before the start of the calendar year the Transmission System Operator publishes on its website the planned activities of maintenance and/or reconstruction on the transmission system which could cause restriction or suspension of gas delivery.

(2) The planned activities shall contain at least the name of the entry into the transmission system and/or the name of the exit from the transmission system the restriction or suspension of gas delivery applies to and the month in which the works are intended to be carried out.

(3) The Transmission System Operator shall publish the exact date of performing the planned activities and the duration of the restriction or suspension of gas delivery no later than 42 days prior to the planned activities.

(4) The Transmission System Operator shall notify in writing the Transmission System User, Distribution System Operator, Closed Distribution System Organiser, LNG and/or CNG Supply Point Operator, Storage System Operator, LNG Terminal Operator, Natural Gas Producer and/or the Final Customer, which may be impacted by the planned activities, no later than 30 days prior to performing the activities.

(5) The Transmission System Operator shall submit the final notice on the performance of the planned activities to the entities referred to in paragraph 4 of this Article, which may be impacted by the planned activities, no later than 48 hours prior to the commencement of the planned activities.

(7) In the case where the restriction or suspension of gas delivery lasted in accordance with the deadlines set out in paragraph 3 of this Article or was prolonged due to reasons the Transmission System Operator could not foresee and/or prevent, the Transmission System Operator is not obliged to compensate for any damages or costs incurred as a result of the restriction or suspension of the gas delivery to the Transmission System User, LNG and/or CNG Supply Point Operator, Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator, Final Customer or the Natural Gas Producer.

Article 58

(1) The Distribution System Operator, Storage System Operator, Closed Distribution System Organiser, LNG Terminal Operator, Natural Gas Producer, and the Final Customer may request from the Transmission System Operator a temporary separation from the transmission system for the purpose of performing the planned activities of maintenance, reconstruction or development of the connected gas system, buildings or plants.

(2) The Closed Distribution System Organiser shall submit the request for temporary separation from the transmission system referred to in paragraph 1 of this Article, to the Transmission System Operator in writing, at least four business days before the requested suspension date and simultaneously inform the Transmission System Users impacted by the suspension.

(3) The temporary separation from the transmission system referred to in paragraph 1 of this Article is considered a non-standard service of the Transmission System Operator, and is

charged in accordance with the Price List of Transmission System Operator Non-standard Services.

(4) The Transmission System Operator is not responsible for possible damage and consequences which the Final Customer, Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator, and the Transmission System User could incur due to the suspension of gas transmission on the basis of the request referred to in paragraph 1 of this Article.

Construction Works in the Protective Zone of the Transmission System

Article 59

~~(1) The Transmission System Operator shall determine special conditions in accordance with the regulations governing the physical planning and construction, i.e. other special regulations.~~

~~(2) The request for the issuance of special general and technical conditions shall be submitted by the investor or a third person authorised by the investor, in the procedure of obtaining a permit or other appropriate act for the construction of a new building or facility planned in the protective zone of the transmission system.~~

~~(3) In addition to the request for the issuance of special conditions, the applicant shall provide the appropriate technical and other documentation from which the type and scope of the operation in the protective zone of the transmission system is evident.~~

~~(4) When determining the special conditions, the Transmission System Operator shall verify the impact of the works on the conditions in the transmission system and if it establishes that there is a possibility of restriction or suspension of gas delivery due to the performance of the works, the Transmission System Operator shall specify it in the special conditions.~~

~~(5) Upon the request referred to in paragraph 2 of this Article, the Transmission System Operator may determine the special conditions, request amendments to the documentation or issue a decision rejecting the request to determine the special conditions.~~

~~(6) The Transmission System Operator shall notify the applicant referred to in paragraph 2 of this Article, in writing, that there is no need to issue special conditions since, after reviewing the technical solution, it was determined that the planned operation is outside the protective zone of the transmission system or that there are no transmission system facilities and/or buildings at the relevant location.~~

~~(7) The determined special conditions may be amended when there is a justified reason for it, at the request of the investor or the person authorised by the investor, exclusively for the purpose of changing the spatial conditions of construction.~~

~~(8) The investor special conditions have been determined for, shall carry out the works in the protective zone of the transmission system at its own cost and in the manner determined by the special conditions.~~

~~(9) In case there is a possibility of restriction or suspension of gas delivery due to the construction works in the protective zone of the transmission system, the investor shall notify the Transmission System Operator in a timely manner about the time and deadlines of the restriction or suspension of gas delivery due to the construction works, while complying with the deadlines referred to in Article 57.~~

(1~~0~~) The investor shall deliver the proposal of the commencement date and expected duration of the works in the protective zone of the transmission system to the Transmission System Operator, not later than 60 days before the planned commencement of the construction works.

(2~~1~~) The Transmission System Operator shall agree on the deadlines for the construction works in the protective zone of the transmission system with the investor and the Transmission System User, Final Customer, Distribution System Operator, Closed Distribution System Organiser, Gas Storage System Operator, LNG Terminal Operator and/or the Natural Gas Producer, if the planned works might impact their service provision.

(3~~2~~) The Transmission System Operator shall publish the deadlines for the construction works on the official website.

(4~~3~~) In case the works in the protective zone of the transmission system cause a disturbance in the operation of the transmission system, the investor shall bear the cost of eliminating the disturbance and shall be liable for any damage incurred by the Transmission System Operator, Transmission System User, Distribution System Operator, Closed Distribution System Organiser, Gas Storage System Operator, LNG Terminal Operator, Natural Gas Producer and/or Final Customer, due to the construction works.

(5~~4~~) The Transmission System Operator shall not be liable for damage caused by the restriction or suspension of gas delivery due to the construction works in the protective zone of the transmission system.

(6~~5~~) The investor and the person authorized by the investor to carry out the works in the protective zone of the transmission system shall be jointly liable for any damage incurred by the Transmission System Operator or third person due to the restriction or suspension of gas delivery caused by the construction works.

(7~~6~~) In case the investor intends to perform works on existing buildings and/or facilities located in the protective zone of the transmission system, and if the investor is not obligated to obtain special conditions in accordance with special regulations, prior to carrying out the works, it shall obtain approval of the Transmission System Operator for the construction works in the protective zone of the transmission system.

(8~~7~~) The Transmission System Operator may allow the applicant to carry out the construction works referred to in paragraph 16 of this Article only if the applicant proves that it possesses professional knowledge, qualifications and authorisations for carrying out the works or has contracted the appropriate contractor for the approved type of works for that purpose.

(9~~8~~) During construction works on the protective zone of the transmission system, the Transmission System Operator shall supervise the performance of the works.

(10~~9~~) Supervision over the construction works on the protective zone of the transmission system shall be charged in accordance with the price list of the Transmission System Operator non-standard services.

Gas Procurement for the Transmission System Operator

Article 60

(1) The Transmission System Operator shall ensure the quantity of gas in the transmission system, sufficient to carry out its main activity, its own consumption, the operating consumption

of technological facilities, compensation of gas losses in the transmission system due to performance of works on the system, compensation for operating losses and the operational reserve.

(2) The Transmission System Operator purchases gas for the purposes referred to in paragraph 1 of this Article, based on market principles and while defining the dynamics and the place of delivery.

(3) The Transmission System Operator publishes the tender for the procurement of gas referred to in paragraph 1 of this Article on the website and in at least one public newspaper.

(4) The basic criterion for choosing the most favourable gas supplier is the lowest price of gas.

(5) On the basis of the decision on the selection of the most favourable gas supplier, the Transmission System Operator and the chosen gas supplier conclude a Gas Supply Agreement.

(6) In the event that the supplier is not satisfied with the conduct of the Transmission System Operator during the gas procurement procedure referred to in paragraph 2 of this Article, the supplier has the right to lodge a complaint to the Agency.

IX SERVICES AND PRODUCTS OF THE TRANSMISSION SYSTEM OPERATOR

Services of the Transmission System Operator

Article 61

(1) The Transmission System Operator provides:

a) gas transmission services
b) service of connecting to the transmission system and service of increasing the connection capacity
c) non-standard services

(2) The Transmission System Operator shall provide gas transmission services based on the Gas Transmission Contract and/or the Interconnection Gas Transmission Contract concluded with the supplier or gas trader, under the conditions and in the manner prescribed by this Network Code and European Union Regulations.

(3) The Transmission System Operator shall provide the service of connecting to the transmission system or increasing the connection capacity as prescribed by this Network Code and in accordance with the Methodology of determining the fee for connection to the gas distribution or transmission system and for increasing the connection capacity.

(4) The Transmission System Operator shall provide non-standard services according to the price list of the Transmission System Operator non-standard services published on the website.

Standard Capacity Products at Entries and Exits in the RC

Article 62 [2]

(1) The Transmission System Operator shall offer capacity at all entries and exits in the RC as:

a) yearly standard capacity product – a given amount of capacity for all gas days in a particular gas year (starting on 1 October)
b) quarterly standard capacity product – a given amount of capacity for all gas days in a particular quarter (starting on 1 October, 1 January, 1 April or 1 July)
c) monthly standard capacity product – a given amount of capacity for all gas days in a particular month (starting on the first day of each month)
d) daily standard capacity product – a given amount of capacity for a single gas day

~~(2) The Standard capacity product referred to in paragraph 1 of this Article shall be expressed in the energy unit at Net Calorific Value under standard conditions.~~

(2) The Standard capacity product referred to in paragraph 1 of this Article shall be expressed in the energy unit at Gross Calorific Value under normal conditions.

Standard Capacity Products at an Interconnection

Article 63 [3]

(1) The Transmission System Operator shall offer capacity at an interconnection as:

a) yearly standard capacity product – a given amount of capacity for all gas days in a particular gas year (starting on 1 October)
b) quarterly standard capacity product – a given amount of capacity for all gas days in a particular quarter (starting on 1 October, 1 January, 1 April or 1 July)
c) monthly standard capacity product – a given amount of capacity for all gas days in a particular month (starting on the first day of each month)
d) daily standard capacity product – a given amount of capacity for a single gas day
e) within-day standard capacity product – a given amount of capacity for a particular period within a single gas day (from a start time within a particular gas day until the end of the same gas day)

~~(2) The standard capacity product at an Interconnection is expressed in the energy unit at Gross Calorific Value under normal conditions, calculated in such a manner that the capacity at Net Calorific Value under standard conditions is divided by the factor published by the Transmission System Operator on the website.~~

(2) The Standard capacity product at an Interconnection is expressed in the energy unit at Gross Calorific Value under normal conditions.

(3) The Transmission System Operator determines the technical capacity of an individual interconnection with the Transmission System Operator from a neighbouring country pursuant to the requirements of the CAM Regulation, taking into account the integrity, security and efficiency of the transmission system operation.

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[2] Amendment to Art. 62 (OG 106/21) enters into force on 1/10/2022.
[3] Amendment to Art. 63 (OG 106/21) enters into force on 1/10/2022.

(4) The Transmission System Operator may offer technical capacity referred to in paragraph 3 of this Article as bundled and/or unbundled capacity at a certain interconnection.

(5) Transmission System Operators from neighbouring countries jointly determine, in accordance with the CAM Regulation, the amount of available capacities they offer as bundled capacity in accordance with paragraph 1 of this Article.

(6) If the remaining capacity is available after the bundling pursuant to paragraph 5 of this Article, the Transmission System Operator shall offer the available capacity as unbundled capacity pursuant to paragraph 1 of this Article.

(7) The Transmission System Operator offers incremental capacity as a yearly standard capacity product of bundled capacity.

Firm and Interruptible Capacity

Article 64

(1) The Transmission System Operator offers standard capacity products for firm and interruptible capacity.

(2) The Transmission System Operator may offer a standard capacity product for interruptible capacity only at entries into the transmission system and at exits from the transmission system where there are no available capacities or where the technical conditions of the transmission system do not allow a firm capacity offer.

(3) The product referred to in paragraph 2 of this Article may be offered up to the amount of technical capacity at a particular entry into the transmission system or at a particular exit from the transmission system.

(4) The Transmission System Operator shall publish, on a daily basis, data on available firm and interruptible capacity at each entry into the transmission system and each exit from the transmission system, as well as their restrictions.

X CONTRACTING CAPACITY AT AN INTERCONNECTION

Concluding an Interconnection Gas Transmission Contract

Article 65

(1) The gas supplier or trader that wants to use the gas transmission services at an interconnection shall conclude an Interconnection Gas Transmission Contract with the Transmission System Operator.

(2) The gas supplier or trader referred to in paragraph 1 of this Article shall submit via SUKAP a request for conclusion of an Interconnection Gas Transmission Contract with the Transmission System Operator no later than 10 days before the beginning of the auction it wants to participate in.

(3) The request referred to in paragraph 2 of this Article shall contain at least the following:

a) name and address of the gas supplier or trader

b) contact information of the gas supplier or trader

c) contract duration period, pursuant to paragraph 8 of this Article.

(4) The Transmission System Operator shall, no later than two business days after the receipt of the request referred to in paragraph 2 of this Article, draw up the Interconnection Gas Transmission Contract via SUKAP and forward it to the gas supplier or trader for signing.

(5) The contract referred to in paragraph 4 of this Article shall contain at least:

a) names and addresses of the contracting parties

b) date and place of the conclusion of the contract

c) contract duration period

d) contact information for exchanging notices and other communications, and for operational communication between the contracting parties.

(6) The general terms and conditions of using the gas transmission services in Annex I to this Network Code are an integral part of the Interconnection Gas Transmission Contract.

(7) The contract referred to in paragraph 4 of this Article shall be concluded for a fixed-term, no longer than 15 years, with the beginning of the contract period not earlier than five business days after the submission of the request and the end of the contract period the last day of the gas year.

(8) The Transmission System User shall deliver the signed Interconnection Gas Transmission Contract to the Transmission System Operator, no later than five business days before the beginning of the auction it wants to participate in.

(9) The contract referred to in paragraph 4 of this Article shall be deemed concluded on the date of its signing by the authorised representative of the Transmission System Operator and the authorised representative of the Transmission System User.

(10) During the duration of the Interconnection Gas Transmission Contract, the Transmission System User can submit a request for conclusion of a new Interconnection Gas Transmission Contract only for the period after the termination of the existing contract.

(~~10~~11) ~~The form of the request referred to in paragraph 2 and~~The form of the contract referred to in paragraph 4 of this Article shall be published on the website by the Transmission System Operator.

Access to the Auction

Article 66

(1) A Transmission System User that wants to participate in an auction must register at the auction platform beforehand and provide all technical preconditions for unrestricted access to the auction platform and auctions.

(2) The Transmission System Operator shall approve access to a particular auction to the Transmission System User, provided that:

1. it has delivered a signed Interconnection Gas Transmission Contract to the Transmission System Operator, pursuant to Article 65 of this Network Code,

2. it has delivered an auction guarantee, or a payment security to the Transmission System Operator, pursuant to the General terms and conditions of the use of gas transmission services, and
3. it has previously registered on the auction platform and provided all technical preconditions for unrestricted access to the auction platform and the auctions.

(3) The Transmission System Operator has the right to cancel the approved auction access if, in the meantime, circumstances occurred which prevent participation in the auction, and in particular:

1. the signed Interconnection Gas Transmission Contract was terminated or expired in the meantime,
2. the Transmission System Operator did not deliver an auction guarantee, or a payment security, pursuant to the General terms and conditions of the use of gas transmission services, and
3. circumstances occurred due to which the technical conditions for access to the auction platform and the auctions were no longer secured.

(4) The cancellation referred to in paragraph 3 of this Article shall continue until the Transmission System User eliminates the reason for the cancellation of its access to auctions, i.e. until the circumstances preventing unrestricted access to the auction platform and the auctions are eliminated.

Contracting Capacity at an Interconnection

Article 67

(1) The Transmission System Operator conducts the capacity contracting procedure at an interconnection pursuant to provisions of the CAM Regulation and this Network Code.

(2) Contracting of capacity referred to in paragraph 1 of this Article is conducted through auctions on the auction platform determined by the Transmission System Operator.

(3) Contracting of incremental capacity is carried out through auction platforms at the auction for corresponding offer levels.

(4) The auctions shall be conducted in accordance with the auction calendar published on the websites of ENTSOG and the Transmission System Operator.

(5) During the validity of the Interconnection Gas Transmission Contract, the Transmission System User with access approved by the Transmission System Operator pursuant to Article 66 may participate in an unlimited number of auctions.

(6) The Transmission System User may only contract the capacity for the period, the Interconnection Gas Transmission Contract has been concluded for.

(7) The Transmission System Operator shall, for the contracted capacity, deliver a notice on the allocation of capacities at the interconnection to the Transmission System User, that forms an integral part of the previously concluded Interconnection Gas Transmission Contract.

(8) The Transmission System Operator shall publish the notice form referred to in paragraph 7 of this Article on the website.

(9) The notice referred to in paragraph 7 of this Article shall contain at least:

a) number of the Interconnection Gas Transmission Contract

b) Transmission System User information

c) balance group information

d) information on auction date, auction identification, and auction bid identification and auction premium

e) interconnection information

f) standard capacity product information (type, contracting period, amount of capacity)

g) product price.

(10) By issuing the notice referred to in paragraph 7 of this Article the obligation arises for the Transmission System User to pay the fee for the use of the transmission system and all other fees possibly associated with the standard capacity product indicated in the notice.

(11) If the Transmission System User has contracted interruptible capacity, the Transmission System Operator may terminate the provision of transmission service in order to meet the contractual obligations towards the Transmission System Users that have contracted firm capacity and/or public service obligations, due to the transmission system conditions, gas quality, pressure, external temperature, transmission system maintenance, and congestion management.

XI CONTRACTING CAPACITIES AT ENTRIES AND EXITS IN THE RC

Concluding a Gas Transmission Contract

Article 67.a

(1) The gas supplier or trader that wants to use the gas transmission services at entries and exits in RC shall conclude a Gas Transmission Contract with the Transmission System Operator.

(2) The gas supplier or trader referred to in paragraph 1 of this Article shall submit via SUKAP a request for conclusion of a Gas Transmission Contract with the Transmission System Operator no later than 10 days before the deadline for submission of the capacity booking request.

(3) The request referred to in paragraph 2 of this Article shall contain at least the following:

a) name and address of the gas supplier or trader

b) contact information of the gas supplier or trader

c) contract duration period, pursuant to paragraph 7 of this Article.

(4) The Transmission System Operator shall, no later than two business days after the receipt of the request referred to in paragraph 2 of this Article, draw up the Gas Transmission Contract via SUKAP and forward it to the gas supplier or trader for signing.

(5) The contract referred to in paragraph 4 of this Article shall contain at least:

e) names and addresses of the contracting parties

f) date and place of the conclusion of the contract

g) contract duration period

h) contact information for exchanging notices and other communications, and for operational communication between the contracting parties.

(6) The general terms and conditions of using the gas transmission services in Annex I to this Network Code are an integral part of the Gas Transmission Contract.

(7) The contract referred to in paragraph 4 of this Article shall be concluded for a fixed-term, no longer than 15 years, with the beginning of the contract period not earlier than five business days after the submission of the request and the end of the contract period the last day of the gas year.

(8) The Transmission System User shall deliver the signed Gas Transmission Contract to the Transmission System Operator, no later than five business days before the deadline for submission of the capacity booking request.

(9) The contract referred to in paragraph 4 of this Article shall be deemed concluded on the date of its signing by the authorised representative of the Transmission System Operator and the authorised representative of the Transmission System User.

(10) During the duration of the Gas Transmission Contract, the Transmission System User can submit a request for conclusion of a new Gas Transmission Contract only for the period after the termination of the existing contract.

(11) The form of the contract referred to in paragraph 4 of this Article shall be published on the website by the Transmission System Operator.

Capacity Booking Request

Article 68

~~(1) The procedure for contracting capacity at an entry and exit in the RC shall be conducted based on the capacity booking request.~~

~~(2) The capacity booking request shall be submitted by Balance Responsible Party on behalf of the gas suppliers and traders that are members of the balance group it organises and leads.~~

~~(3) The capacity booking request shall be submitted via the SMCTS.~~

~~(4) As an exception to paragraph 3 of this Article, in the event of a failure to access SMCTS, the capacity booking request shall be submitted by e-mail on the form provided by the Transmission System Operator on the website.~~

~~(5) Prior to submitting a capacity booking request, the Balance Responsible Party shall deliver a notice about the members of the balance group it organises and leads, to the e-mail address of the Transmission System Operator.~~

~~(6) A gas supplier or trader on behalf of which the Balance Responsible Party submits a capacity booking request shall provide the Transmission System Operator with information about the responsible person representing the company, the operational and official contact information for the purpose of concluding a Gas Transmission Contract.~~

~~(7) The gas supplier or trader referred to in paragraph 6 of this Article shall notify the Transmission System Operator without delay, of any change in the information referred to in paragraph 6 of this Article.~~

~~(8) The Balance Responsible Party is allowed to submit requests for the transmission system capacity booking only for the members of the balance group it organises and leads, and for which it has delivered to the Transmission System Operator the notice on the balance group affiliation.~~

(1) The procedure for contracting capacity at an entry and exit in the RC shall be conducted based on the capacity booking request.

(2) The capacity booking request shall be submitted by the Balance Responsible Party on behalf of the gas suppliers and traders that are members of the balance group it organises and leads.

(3) The Balance Responsible Party shall deliver a notice about the members of the balance group it organises and leads to the e-mail address of the Transmission System Operator, prior to submitting the capacity booking request for a yearly standard capacity product and in case of any change in the membership of the balance group.

(4) The Balance Responsible Party may submit a capacity booking request only for the gas supplier or trader:

a) that is a member of the balance group the Balance Responsible Party organises and leads
b) for whom the Balance Responsible Party delivered the notice on the balance group membership, to the Transmission System Operator
c) that has concluded a valid Gas Transmission Contract with the Transmission System Operator, for the period it intends to submit the capacity booking request for

(5) The Balance Responsible Party may submit the capacity booking request for the period, the gas supplier or trader concluded the Gas Transmission Contract for.

Article 69

(1) The capacity booking request shall be submitted according to the following schedule:

a) for a yearly standard capacity product – no later than the end of the gas day 1 July of the current year for the next gas year, or the next gas year within the next 15 gas years;
b) for a quarterly standard capacity product – no later than the end of the 5th gas day in September, December, March, and June, for one or more quarters until the end of the current gas year;
c) for a monthly standard capacity product – no later than the end of the 20th gas day of the current month for the next month, or the next months within the current quarter.
d) for a daily standard capacity product – no later than 12:00 P.M. of the current day for the next gas day or the next gas days of the current month, and for a gas day or gas days of the next month, after the final monthly capacity allocation for the next month is completed.

(2) The capacity booking request contains at least:

a) name of the balance group,

b) name of the ~~gas supplier or trader~~ Transmission System User,
c) information on the entry and/or exit in the RC where the capacity is booked,
d) type of capacity product,
e) the amount of requested capacity for each entry and/or exit in the RC, and
f) the time period for which the request is submitted.

(3) The amount of requested capacity for a particular entry and/or exit in the RC in the request referred to in paragraph 1 of this Article shall be expressed in the kWh/d unit of measure, rounded to a multiple of 10.

(4) Regardless of the type of capacity product, the amount of capacity referred to in paragraph 3 of this Article cannot be less than 240 kWh/d.

(5) The Transmission System Operator has the right to deny the capacity booking request if the request was not submitted in accordance with the procedure and in the manner prescribed by this Network Code.

(6) After submitting the capacity booking request, the ~~gas supplier or trader~~ Transmission System User cannot cancel it except in the case referred to in Article 71 paragraph 7 of this Network Code.

~~(7) By submitting a capacity booking request, the gas supplier or trader agrees to apply the General terms and conditions of the use of gas transmission services in Annex I to this Network Code.~~

(~~8~~7) The Transmission System Operator shall allow the Balance Responsible Party to review all the recorded booking requests referred to in this Article concerning the balance group it organises and leads.

Capacity Booking at the Exit from the Transmission System, which is also the Entry into the Gas Storage System, and at the Entry into the Transmission System, which is also the Exit from the Gas Storage System

Article 70

(1) Capacity booking at the exit from the transmission system, which is also the entry into the Gas Storage System and at the entry into the transmission system, which is also the exit from the Gas Storage System, is linked to the contracted maximum withdrawal capacity or the maximum injection capacity from the concluded gas storage agreements.

(2) The Balance Responsible Party submitting the capacity booking request referred to in paragraph 1 of this Article shall provide the Transmission System Operator with information on the contracted maximum injection/withdrawal capacities for the Transmission System User on behalf of which it is submitting the capacity booking request, and for the period for which the capacity booking request is being submitted.

(3) The Balance Responsible Party may submit the capacity booking request referred to in paragraph 1 of this Article, regardless of the cycle and mode of operation of the gas storage system.

(4) The Balance Responsible Party that wants to book the capacity at the exit from the transmission system which is also the entry into the gas storage system, shall book the capacity for the ~~gas supplier or trader~~ Transmission System User at least in the amount of the

total contracted maximum injection capacity from all the gas storage contracts the Storage Capacity User concluded with the Gas Storage System Operator.

(5) The Balance Responsible Party that wants to book the capacity at the entry into the transmission system which is also the exit from the gas storage system, shall book the capacity for the ~~gas supplier or trader~~ Transmission System User at least in the amount of the total contracted maximum withdrawal capacity from all the gas storage contracts the Storage Capacity User concluded with the Gas Storage System Operator.

Allocating Capacities at Entries and Exits in the RC

Article 71

(1) The Transmission System Operator shall carry out the allocation of capacity separately for each entry and exit in the RC, based on the capacity requested in the received capacity booking request and in accordance with the available capacities of each entry and exit in the RC.

(2) When allocating the capacity referred to in paragraph 1 of this Article, the Transmission System Operator shall take into account only requests which are:

1. submitted in a timely manner;
2. filled out pursuant to Article 69.
3. submitted for the period covered by the valid Gas Transmission Contract

(3) If, when allocating the capacity referred to in paragraph 1 of this Article, the amount of available capacity at a particular entry or at a particular exit in the RC is larger or equal to the total requested capacity for the relevant entry or exit in the RC, the Transmission System Operator shall allocate capacity to a particular ~~gas supplier or trader~~ Transmission System User according to the capacity booking request.

(4) If, when allocating the capacity referred to in paragraph 1 of this Article, the amount of available capacity at a particular entry or at a particular exit in the RC is less than the total requested capacity for the relevant entry or exit in the RC, the Transmission System Operator shall allocate capacity to a particular ~~gas supplier or trader~~ Transmission System User proportionately to the share of its request in the total requested capacity.

(5) In the case referred to in paragraph 4 of this Article, the Transmission System Operator shall allocate the remaining amount up to the requested capacity from the booking request as interruptible capacity.

(6) The Transmission System Operator shall, via the SMCTS, inform the Balance Responsible Party and the ~~gas supplier or trader~~ Transmission System User of the capacity allocation proposal according to the following schedule:

a) for the yearly standard capacity product – no later than 15 business days from the deadline for submitting the request for booking a yearly standard capacity product;

b) for the quarterly standard capacity product – no later than the 10th day of the month in which the request for booking a quarterly standard capacity product was submitted;

b) for the monthly standard capacity product – no later than the 23rd day of the month in which the request for booking a monthly standard capacity product was submitted;

(7) The ~~gas supplier or trader~~ Transmission System User has the right to notify the Transmission System Operator and the Balance Responsible Party that it does not want to contract the standard capacity product for the interruptible capacity allocated to it in the notice referred to in paragraph 6 of this Article, within two business days from receipt of the relevant notice.

(8) The Transmission System Operator shall carry out the final allocation of capacity, and deliver the Gas Transmission Contract and the capacity allocation notice via SUKAP to the ~~gas supplier or trader~~ Transmission System User, according to the following schedule:

a) for the yearly standard capacity product – no later than the 1 August of the current gas year;
b) for the quarterly standard capacity product – no later than the 14th day of the month in which the request for booking a quarterly product was submitted;
c) for the monthly standard capacity product – no later than the 27th day of the current month;
d) for the daily standard capacity product – no later than 1:00 P.M. on the current gas day.

~~(9) As an exception to paragraph 8(d) of this Article, the Transmission System Operator may deliver the Gas Transmission Contract and the capacity allocation notice on the first following business day.~~

(10) The Transmission System Operator publishes the notice form referred to in paragraph 8 of this Article, on its website.

(11) The notice referred to in paragraph 8 of this Article contains at least the following:

a) Gas Transmission Contract number
b) information on the Transmisson System User
c) name of the balance group of the Transmission System User
d) information on the entry/exit in RC
e) information on the standard capacity product (type, contracted period, capacity amount)
f) price of the standard capacity product

(12) The notice referred to in paragraph 8 of this Article shall form an integral part of the Gas Transmission Contract.

(~~10~~13) By issuing the notice referred to in paragraph 8 of this Article, the obligation arises for the ~~gas supplier or trader~~ Transmission System User to pay the fee for the use of the transmission system and all other fees possibly associated with the capacity product indicated in the notice.

(14) After the final capacity allocation has been conducted, the Transmission System Operator shall make available via SUKAP the following information:

a) to the Transmission System User - information on all allocated capacities
b) to the Balance Responsible Party - information on allocated capacities for the balance group it organises and leads, per each Transmission System User-member of the balance group, per each entry and/or exit

c) to the Distribution System Operator - information on allocated capacities for the exit which is also the entry to the distribution system, aggregated for each balance group and each Transmission System User-member of the group
d) to the Gasd Market Operator and the Agency - information on contracted capacity products for each balance group and Transmission System Users - members of each group.

~~(11) After the final allocation of transmission system capacities, the Transmission System Operator provides access to the Balance Responsible Party to data on the total allocated capacity for the balance group it organises and leads and for an individual gas supplier or trader, member of that balance group.~~

~~(12) After the final allocation of transmission system capacities the Transmission System Operator allows the Distribution System Operator, on whose entries into the distribution system the capacity was contracted, access to data on the total allocated capacities for an individual balance group and individual gas supplier or trader, member of that balance group.~~

~~(13) After the final allocation of transmission system capacities, the Transmission System Operator notifies the Gas Market Operator and the Agency on the contracted capacities for each individual balance group and for the gas suppliers or traders that are members of an individual balance group.~~

~~*Gas Transmission Contract*~~

Article 72

~~(1) The Gas Transmission Contract shall be deemed concluded on the date of delivery of the notice referred to in Article 71 paragraph 8 of this Network Code.~~

~~(2) The following forms are an integral part of the Gas Transmission Contract:~~

~~a) General terms and conditions for the use of gas transmission services in Annex I to this Network Code~~
~~b) Notice on the allocated capacity of the transmission system (hereinafter: Notice).~~
~~c) Payment Security.~~

~~(3) The Transmission System Operator publishes the form of the Gas Transmission Contract and the Notice form on the website.~~

~~(4) The Notice referred to in paragraph 2(b) of this Article shall contain at least:~~

~~a) number of the Gas Transmission Contract,~~
~~b) Transmission System User information,~~
~~c) information about the Transmission System User's balance group and the Balance Responsible Party,~~
~~d) information about the entry into and/or exit from the transmission system,~~
~~e) capacity product information (type, contracting period, amount of capacity)~~

~~(5) The Transmission System Operator delivers the Gas Transmission Contract referred to in paragraph 1 of this Article to the Transmission System User for signing, for the purpose of record keeping.~~

~~(6) The Transmission System User shall sign the Gas Transmission Contract immediately upon its receipt and deliver it to the Transmission System Operator without delay.~~

~~(7) The Gas Transmission Contract shall be deemed concluded between the Transmission System Operator and the Transmission System User, for the transmission system capacity and for the period indicated in the Notice referred to in paragraph 2(b) of this Article.~~

Use of Gas Transmission Services Without Contracted Capacity

Article 73 [4]

(1) A Gas Supplier shall contract transmission system capacity at each transmission system exit at which it delivers gas for the billing metering points of Final Customers on the transmission system and/or distribution system which it supplies in an individual balance group. The transmission system capacity at a transmission system exit which is an entry into the distribution system, may also be conctracted by the supplier or the gas trader, from which a particular Supplier acquires gas for the supply of the billing metering points of Final Customers on the distribution system which it supplies in a particular balance group.

(~~1~~2) In case there is no contracted capacity at the exit to the RC to which the Final Customer is connected, the Transmission System Operator has the right to close the relevant exit with prior notice to the Final Customer.

(~~2~~3) The condition for re-opening the relevant exit is contracting the capacity at the relevant exit, delivery of the nomination and the Final Customer's written notice of readiness to accept gas with the specified date and time of the start of the gas off-take, which shall be delivered at least 48 hours in advance.

(~~3~~4) If it is established that the Final Customer is taking over gas at an exit in the RC capacity is not contracted for, the Transmission System Operator shall suspend the gas delivery to the relevant connection with prior notice.

(~~4~~5) In the case referred to in paragraph 4~~3~~ of this Article, the Final Customer shall pay a fee for the use of the transmission system without contracted capacity and the fee for the off-taken gas, to the Transmission System Operator, within eight days from the issuance of the invoice.

(~~5~~6) The amount of the fee for the use of the transmission system referred to in paragraph 5~~4~~ of this Article shall be calculated on the basis of the technical capacity for the relevant exit from the transmission system and the ~~tariff items~~price for the daily standard capacity product.

(~~6~~7) The amount of the fee for the off-taken gas referred to in paragraph 5~~4~~ of this Article shall be calculated based on the quantity of gas measured at the relevant exit from the transmission system during the period of illegal use of the transmission system capacity, and the marginal purchase price for the relevant gas day, determined and published on the website by the Gas Market Operator.

(~~7~~8) The Transmission System Operator shall re-establish gas delivery under the conditions referred to in paragraph 3~~2~~ of this Article, after the Final Customer pays all outstanding debts.

(9) If at the exit in the RC which is also an entry into the distribution system, a Supplier who supplies a Final Customer on the distribution system did not contract capacity at the relevant exit in a certain balance group for the period during which he is supplying the Final Customer on the distribution system, and neither did the supplier or gas trader from which the relevant

[4] *Amendment to Art. 73 para. 11 (OG 106/21) enters into force on 1/10/2022.*

supplier acquires gas for the supply of his Final Customers on the distribution system, the Supplier shall pay a fee for using the transmission system without contracted capacity to the Transmission System Operator within eight days from the invoice issuance.

(10) In the case referred to in paragraph 9 of this Article, determined gas quantity shall be allocated to the balance group the Gas Supplier of the Final Customer belongs to according to the data from the billing metering points registry kept by the Gas Market Operator, even though that Supplier or the supplier or gas trader it acquires gas from for te supply of its Final Customers on the distributuin system, respectively, does not have contracted capacity at the transmission system exit which is also an entry into the relevant distribution system, in the balance group registered in the billing metering point registry.

(11) The amount of the fee for transmission system use referred to in paragraph 9 of this Article is calculated by multiplying the transmission system capacity necessary for the transmission of gas quantities allocated to the Supplier in the balance group referred to in paragraph 9 of this Article, which cannot be lower than 240 kWh/day, by the daily capacity product price on the day of the usage of the transmission service, increased by 200%, for each day of usage of uncontracted capacity.

(12) The Gas Market Operator checks, on a daily basis, wether the information on the transmission system capacity allocation it obtains pursuant to Article 71 paragraph 13 of this Network Code, corresponds to the information from the billing metering points registry on the appurtenance of the billing metering point to a particular supplier and Transmission System User in a particular balance group at a particular transmission system exit.

(13) In case of non concordance or absence of transmission system capacity booking referred to in paragraph 12 of this Article, the Gas Market Operator informs the Balance Responsible Party and the Supplier, within gas day D-1, and 2 hours before the expiry of the capacity booking deadline at the latest, about the absence of capacity booking for gas day D at a particular transmission system exit.

Guaranteed supply

Article 74

(1) In the case of guaranteed supply within the meaning of the law regulating the gas market, the existing supplier, that is also the Transmission System User (Transferor), whose customers have been taken over by the guaranteed supplier (Acquirer), shall transfer the whole or part of the Gas Transmission Contract it concluded with the Transmission System Operator, to the guaranteed supplier at its request.

(2) The subject matter of the transfer referred to in paragraph 1 may be all rights and obligations under the Gas Transmission Contract or only those rights and obligations concerning the capacity contracted by the Transferor at the exits in the RC which are also entries into distribution systems, depending on the Acquirer' request.

(3) The Transmission System User and the guaranteed supplier shall carry out the transfer referred to in paragraph 1 of this Article via the SMCTS.

(4) With the transfer referred to in paragraph 1 of this Article, the guaranteed supplier shall become a Contracting Party and assume those rights and obligations under the Gas Transmission Contract that are being transferred.

(5) The guaranteed supplier that, in accordance with this Article, receives the full or part of the Gas Transmission Contract, shall provide the Transmission System Operator with corresponding payment security for the standard capacity products that were the subject matter of the transfer, in accordance with the General terms and conditions of the use of gas transmission services.

(6) The transfer contract referred to in paragraph 1 of this Article shall enter into force on the date specified in the notification of the Agency as the day of the beginning of the guaranteed supply.

(7) As an exception to paragraph 6 of this Article, if the Agency fails to deliver a notice on the beginning of the guaranteed supply, the transfer contract shall enter into force on the day the circumstances, referred to in the law regulating the gas market, due to which the guaranteed supplier took over the Final Customers of the Transmission System User, have occurred.

(8) Payment security referred to in paragraph 5 of this Article and the notice referred to in paragraph 6 of this Article shall form an integral part of the Gas Transmission Contract to be transferred to the guaranteed supplier.

XII TRADING IN CONTRACTED CAPACITY

Trading in Contracted Capacity on the Secondary Market

Article 75

(1) The Transmission System User has the right to trade in the capacity contracted on the basis of the Gas Transmission Contract and/or Interconnection Gas Transmission Contract, in accordance with the Network Code and the Regulations of the European Union, as follows:

(a) contracted capacity transfer – at all entries into the transmission system and at all exits from the transmission system, and/or

(a) transfer of the right to use the contracted capacity – at all entries into the transmission system and at all exits from the transmission system, except the exits in the RC.

(2) The subject matter of the trade referred to in paragraph 1 of this Article may only be the rights and obligations the Transmission System User has on the basis of a valid Gas Transmission Contract on and/or Interconnection Gas Transmission Contract and only insofar they pertain to the capacity which is the subject matter of trading.

Approval by the Transmission System Operator

Article 76

(1) Trading in contracted capacity shall be deemed completed after it has been approved by the Transmission System Operator in accordance with the Network Code.

(2) As an exception to paragraph 1 of this Article, trading in bundled capacity shall be deemed completed when it is approved by the Transmission System Operators on both sides of the interconnection where it is traded.

(3) The Transferor and/or the Acquirer may cancel the trade in contracted capacity until the Transmission System Operator approves it.

(4) After it approves the trade in contracted capacity, the Transmission System Operator notifies the Transferor and the Acquirer about the trade in contracted capacity, which notification becomes an integral part of the Gas Transmission Contract or the Interconnection Gas Transmission Contract.

(5) The Transmission System Operator shall not approve the trade in contracted capacity in the following cases:

(a) if the Transferor has not concluded a Gas Transmission Contract or an Interconnection Gas Transmission Contract with the Transmission System Operator;

b) if the trade was not conducted in accordance with the procedure prescribed by the Network Code;

(c) if the Acquirer of the contracted capacity does not deliver the payment security to the Transmission System Operator in accordance with Article 79 of the Network Code.

d) if the Acquirer of the contracted capacity has due and outstanding debts towards the Transmission System Operator;

d) if the Transferor of the right to use the contracted capacity has due and outstanding debts towards the Transmission System Operator.

Contracted Capacity Transfer

Article 77

(1) By transferring the contracted capacity, the Transferor shall transfer to the Acquirer, and the Acquirer shall assume, the rights and obligations arising from the Gas Transmission Contract and/or Interconnection Gas Transmission Contract, pertaining to the transferred capacity.

(2) By the transfer referred to in paragraph 1 of this Article, the Acquirer becomes a contracting party to the Gas Transmission Contract or the Interconnection Gas Transmission Contract in relation to the capacity it has acquired, and the Transferor ceases to be a contracting party in relation to the relevant capacity.

(3) The Transferor remains a contracting party of the Gas Transmission Contract or the Interconnection Gas Transmission Contract as regards all other rights and obligations of the Transmission System User, which are not the subject of transfer.

(4) The transfer referred to in paragraph 1 of this Article shall not affect other rights and obligations of the Transferor and the Acquirer under the Gas Transmission Contract and/or Interconnection Gas Transmission Contract concluded with the Transmission System Operator.

(5) Dissolution or termination of the Gas Transmission Contract or the Interconnection Gas Transmission Contract concluded between the Transferor and the Transmission System Operator, shall not affect the validity of the transfer referred to in paragraph 1 of this Article, provided that the transfer of the contracted capacity is carried out and completed in accordance with the Network Code.

(6) Prior to acquiring contracted capacity pursuant to this Article, the Acquirer shall deliver a payment security instrument to the Transmission System Operator at least two business days before the beginning of the period the trade refers to.

(7) For the transfer of contracted capacity at an entry and/or exit in the RC, the Acquirer shall deliver a payment security instrument in the form and in the amount stipulated by Articles 7 and 8 of GT from Appendix I of this Network Code.

(8) For the transfer of the contracted capacity on the interconnection, the Acquirer shall deliver a payment security instrument in the form and in the amount stipulated by Articles 7 and 9 of GT from Appendix I of this Network Code.

(9) If the Acquirer delivers a payment security instrument in the form of a bank guarantee, the bank guarantee must be valid for the whole period the trade refers to and at least 60 days after the end of the relevant period.

(10) Exceptionally, instead of delivering a new payment security instrument, the Acquirer who has already concluded a gas transmission contract and/or interconnection gas transmission contract with the Transmission System Operator, may submit a written request to the Transmission System Operator, to accept the payment security instrument already delivered based on the relevant gas transmission contract and/or interconnection gas transmission contract, as a payment security instrument for the transfer of contracted capacity.

The Transmission System Operator shall accept the request of the Acquirer if the following conditions are met:

a) the relevant payment security instrument is delivered in the form of a cash deposit or a bank guarantee and

b) the amount of the relevant payment security instrument is sufficient to secure payment for the capacity already contracted by the Acquirer on the primary market, as well as the capacity it is acquiring through trading on the secondary market.

(11) The Transmission System Operator may reduce the requested amount of the payment security instrument or release the Acquirer from the obligation to deliver the payment security instrument if it estimates that the amount of the payment security instrument that the Acquirer previously delivered to the Transmission System Operator for contracting capacity on the primary market is also sufficient to secure the payment of capacity it acquires through trading on the secondary market.

Transfer of the Right to Use the Contracted Capacity

Article 78

(1) By transferring the right to use the contracted capacity, the Transferor transfers to the Acquirer, and the Acquirer assumes, the right to use the contracted capacity which is the subject-matter of the transfer.

(2) The transfer referred to in paragraph 1 of this Article shall not affect the contractual relations between the Transferor or the Acquirer respectively and the Transmission System Operator based on a concluded Gas Transmission Contract and/or Interconnection Gas Transmission Contract.

(3) The Transferor shall remain the contracting party and the holder of all rights (except the right to use the capacity which is the subject matter of the transfer) and obligations under the Gas Transmission Contract and /or the Interconnection Gas Transmission Contract.

(4) In the event of dissolution or termination of the Gas Transmission Contract or the Interconnection Gas Transmission Contract concluded between the Transferor and the Transmission System Operator, the Acquirer shall ex lege lose the right to use the contracted capacity which was the subject matter of the transfer.

Trading in Contracted Capacities at an Entry and Exit in the RC

Article 79

(1) Trading in contracted capacities at an entry and exit in the RC is conducted via the SMCTS.

(2) The participants of the trade referred to in paragraph 1 of this Article are responsible for the accuracy of the information entered into the SMCTS.

(3) Trading referred to in paragraph 1 of this Article shall be initiated by the Transferor by announcing the trading via the SMCTS.

~~(4) A gas supplier or trader that wants to acquire the contracted capacity at the entry and/or exit of the RC by trading on the secondary market, shall, prior to participating in the trading in capacity on the secondary market in a given gas year, submit a Payment Security in the form of a blank promissory note notarised by a public notary to the Transmission System Operator. If the value of the intended trading, increased by VAT, exceeds HRK 1 million, the Acquirer shall submit one or more additional blank promissory notes for the purpose of securing said difference.~~

(4~~5~~) The Acquirer may confirm the announced trading within two business days from the announcement referred to in paragraph 3 of this Article, and at the latest 24 hours before the beginning of the period the trade refers to. If the Acquirer does not confirm the announced trading within that period, it shall be deemed it has cancelled the trading.

~~(6) Regardless of the deadline referred to in paragraph 5 of this Article, the Acquirer shall confirm the announced trading and submit the requested Payment Security no later than 24 hours before the commencement of the trading period.~~

(5~~7~~) The Transmission System Operator shall approve the trading confirmed by the Acquirer no later than 18 hours before the commencement of the trading period.

Trading in Contracted Capacity at an Interconnection

Article 80

(1) Trading in contracted capacity at an interconnection is conducted through auction platforms.

(2) The participants of trading referred to in paragraph 1 of this Article are responsible for the accuracy of the information entered into the auction platform.

(3) Capacity contracted as bundled capacity may be traded on the secondary market only as bundled capacity.

(4) Trading referred to in paragraph 1 of this Article may be initiated by the Transferor or the Acquirer.

(5) The Transferor and the Acquirer shall confirm the trading referred to in paragraph 1 of this Article no later than 24 hours before the commencement of the trading period.

XIII USE OF TRANSMISSION SYSTEM CAPACITIES

Matching of Nominations at the Interconnection

Article 81

(1) The Balance Responsible Party organising and leading the balance group, whose members are Transmission System Users that have contracted capacity at an interconnection, shall, on a daily basis, on both business and non-business days, submit to the Transmission System Operator information on the nomination of gas quantities for input into the transmission system on a given interconnection and/or for off-take from the transmission system on a given interconnection in the next gas day.

(2) The information referred to in paragraph 1 of this Article shall be delivered elaborated for each hour of the gas day per Transmission System Users pairs on both sides of the interconnection, and no more than the total amount of contracted capacity at the relevant interconnection for the next gas day.

(3) The Balance Responsible Party delivers the information referred to in paragraph 1 of this Article separately for each individual interconnection in accordance with the rules for information exchange at an individual interconnection, published by the Transmission System Operator on the website.

(4) The Transmission System Operator carries out the nomination matching process with the Transmission System Operator of a neighbouring country, in accordance with the bilateral interconnection agreement. The Transmission System Operator shall publish the detailed description of the procedure on the website and shall regularly update it, in accordance with the bilateral interconnection agreement.

(5) In the event of difference in nominations received on both sides of an individual interconnection, the "lesser rule" is applied and the Transmission System Operator notifies, via e-mail, the Balance Responsible Party to which the stated rule applies, thereof.

(6) The Balance Responsible Party shall, for an individual interconnection and for the balance group it organises and leads, include the amount the Transmission System Operators of neighbouring countries confirmed in the nomination matching process, in the nomination referred to in Article 82 of this Network Code.

(7) If the nomination of gas quantity referred to in paragraph 1 of this Article needs to be modified, the Balance Responsible Party shall deliver the information on the re-nomination of gas quantities for input into the transmission system at an individual interconnection and/or for off-take from the transmission system at an individual interconnection during the gas day the re-nomination pertains to, to the Transmission System Operator, at least two full hours before the required modification.

(8) The information referred to in paragraph 7 of this Article shall be delivered elaborated for each hour of the gas day per Transmission System Users pairs on both sides of the interconnection, and no more than the total amount of contracted capacity at the relevant interconnection for the relevant gas day, after which the Transmission System Operator carries out the matching process referred to in paragraph 4 of this Article.

Nomination of Transmission System Use

Article 82

(1) The Balance Responsible Party shall deliver on a daily basis to the Transmission System Operator the nominations for all entries into the transmission system and for all exits from the transmission system for which the Transmission System Users, members of the balance group it organises and leads, have contracted capacity for the following gas day, excluding the exit from the transmission which is also the entry into the gas storage system, and the entry into the transmission system which is also the exit from the gas storage system.

(2) The nomination shall contain the planned daily quantity of natural gas, shown per hour of the following gas day in kWh/h.

(3) The nomination of daily quantities referred to in paragraph 1 of this Article for an individual Transmission System User, cannot exceed the sum of contracted capacity for the following day at an individual entry into the transmission system, or at an exit from the transmission system.

(4) The total nomination for an individual entry into the transmission system and/or an individual exit from the transmission system, in a single hour, expressed in kWh/h, shall not exceed the capacity referred to in the energy approval.

(5) The nomination for the exit from the transmission system which is also the entry into the gas storage system, and the entry into the transmission system which is also the exit from the gas storage system shall be delivered to the Transmission System Operator by the Gas Storage System Operator after each nomination on the gas storage system.

Article 83

(1) The Balance Responsible Party shall deliver the nomination referred to in Article 82 of this Network Code to the Transmission System Operator via the SMCTS, and as an exception, if unable to access SMCTS, it shall deliver the file of prescribed content and format via e-mail until 2:00 P.M. of the current day for the following gas day or following gas days. The Transmission System Operator publishes the format of the file containing nomination information, on the website, in the nomination instructions.

(2) In the case referred to in paragraph 1 of this Article, the Transmission System Operator shall inform the Balance Responsible Party, by 3:00 P.M. of the current day, on the acceptance or rejection of the nomination for the following gas day.

(3) The Transmission System Operator forwards the notice referred to in paragraphs 2 and 12 of this Article, by e-mail.

(4) Aside from the nomination for the following gas day, the Balance Responsible Party can deliver the nominations for the following days of the current month.

(5) The Transmission System Operator processes the nominations for the following gas day on a daily basis, on business and non-business days.

(6) The Transmission System Operator may reject or reduce the nomination, or re-nomination referred to in paragraph 8 of this Article, delivered on the basis of contracted interruptible capacity for an individual entry into the transmission system and/or for an individual exit from the transmission system, depending on the sum of received nominations for an individual entry into the transmission system and the sum of received nominations for an individual exit from the transmission system.

(7) The Balance Responsible Party has the right to deliver the re-nomination for the gas day D to the Transmission System Operator, in the period from 4:00 PM of the gas day D-1 until 3:00 AM of the gas day D.

(8) If the trading in the locational product on the trading platform of the Gas Market Operator is concluded, the Balance Responsible Party shall submit a re-nomination at the entry into the transmission system or at the exit from the transmission system the trading was carried out for, to the Transmission System Operator without delay.

(9) If the Balance Responsible Party fails to comply with paragraph 8 of this Article, the Transmission System Operator shall deem the trading invalid and notify the Balance Responsible Party, the Transmission System Operator and the Agency thereof, in a daily and monthly report.

(10) The Balance Responsible Party may re-nominate the nomination amount only for the hours following at least two full hours after the moment the re-nomination was submitted.

(11) The Transmission System Operator notifies the Balance Responsible Party on the acceptance or rejection of the re-nomination for the following gas day, within one hour after receiving the re-nomination referred to in paragraph 10 of this Article.

(12) If the Transmission System Operator rejects a nomination or re-nomination, it notifies the Balance Responsible Party on the reasons for rejection of the nomination.

(13) The nomination or the last re-nomination for an individual gas day, accepted by the Transmission System Operator, is binding for the Balance Responsible Party.

(14) The nominated daily quantity of gas, expressed in kWh, is equal to zero for the following gas day in the following situations:

- if the Balance Responsible Party does not deliver the nomination,
- if the Transmission System Operator rejects a nomination, and the Balance Responsible Party does not deliver a new nomination,
- if the Transmission System Operator rejects the new nomination.

(15) In the event that the Transmission System Operator rejects a re-nomination, the last accepted nomination or re-nomination is valid.

(16) In case of deviation from the nomination, identified upon the expiry of a month, the Balance Responsible Party shall pay the compensation calculated by the Gas Market Operator in accordance with the provisions of the Rules on gas market organisation, for each gas day the deviation at the gas transmission system exits was determined for the balancing group it organises and leads.

XIV MEASURING RULES AND GAS QUANTITY ALLOCATION RULES

Article 84

With the aim of ensuring technical preconditions for input of gas into the transmission system and off-take of gas from the transmission system, secure management of the transmission system, use of contracted capacity, ascertaining the quantity of the input and off-taken gas, calculation of fees pertaining to the use of the transmission system and the calculation of balancing energy, the Transmission System Operator ensures the following:

- gas volume measuring,
- ascertaining gas quality,
- maintaining the equipment of the billing metering point, including replacement of measuring equipment,
- calibration and certification of the metering device of the billing metering point,
- gathering data on the results of the gas volume measurement at the billing metering point,
- gathering data on the results of ascertaining gas quality ~~at a specific point on the transmission system,~~
- verification and confirmation of the validity of the gathered data,
- processing and storage of gathered data,
- keeping the billing metering point documentation and the documentation of the equipment for determining gas quality.

Article 85 [5]

~~(1) The standard reference conditions for all measurements and natural gas volume and energy calculations in this Network Code are:~~

- ~~For the calculation of gas: volume temperature of 288.15 K (15°C) and pressure 101.325 kPa (1.01325 bar aps)~~
- ~~For the calculation of calorific value, energy and Wobbe index: the reference combustion temperature of 288.15 K (15°C)~~

(1) The standard reference conditions for natural gas volume calculations in this Network Code are temperature of 288.15 K (15°C) and pressure 101.325 kPa (1.01325 bar aps).

(2) The normal reference conditions for natural gas energy calculations in this Network Code are temperature of 273.15 K (0°C) and pressure 101.325 kPa (1.01325 bar aps).

(~~2~~3) A conversion of the volume value or calorific value to other reference conditions is carried out by using the conversion factor in compliance with “HRN EN ISO 13443 – Natural gas – Standard reference conditions“ standard.

[5] *Amendments to Art. 85 (OG 106/21) enter into force on 1/10/2022.*

(~~34~~) A conversion of the net calorific value expressed in MJ/m3 into the measuring unit kWh/m3, at the same reference conditions is carried out by dividing by 3,6 (kWh/m3), and the resulting value is rounded to three decimal places.

Billing metering point

Article 86

~~(1) The basic values measured at the entries into the transmission system and exits from the transmission system are:~~

- ~~volume of gas which has flowed through the billing metering point in operating conditions, expressed in m3,~~
- ~~gas pressure at the billing metering point, bar~~
- ~~gas temperature at the billing metering point, °C.~~

~~(2) The basic calculated value is:~~

- ~~the volume of gas which has flowed through the billing metering point, expressed in m3, under standard conditions~~
- ~~net calorific value of gas for a specific point, expressed in MJ/m3, under standard conditions.~~

~~(3) In order to calculate the energy, expressed in kWh, the volume of gas which has flowed through the billing metering point within one hour (m3/h) is multiplied with the amount of the net calorific value (kWh/m3 at 15°C/15°C) ascertained for an individual gas day. The recalculation of the net calorific value expressed in MJ/m3 into kWh/m3, at reference conditions 15°C/15°C is done by dividing by 3.6 (kWh/m3), and the resulting value is rounded up to six decimal places. The calculated energy is expressed as an integer value.~~

~~(4) The daily quantity of gas, expressed in kWh/d, is calculated as the sum of the hourly quantities of kWh/h.~~

(1) Main units measured at all billing metering points are:

- volume of gas flown through the billing metering point at working conditions, expressed in m3
- gas pressure at the billing metering point, expressed in bar
- gas temperature at the billing metering point, expressed in °C.

(2) Main calculated unit at all billing metering points is:

- volume of gas flown through the billing metering point expressed in m3 at standard conditions.

~~*Billing Metering Point*~~

Article 87

(1) The measuring of the gas flow volume is carried out constantly, at the billing metering point, by gauges of technical and operating characteristics in accordance with special laws,

regulations and norms regulating the field of metering and the operating instructions of the Transmission System Operator.

(2) For the purpose of standardisation and in accordance with operating instructions, the Transmission System Operator determines technical and other characteristics of the gas meter and other metering equipment for each billing metering point, in accordance with special laws, regulations and norms regulating the field of metering and this Network Code.

(3) The Transmission System Operator shall deliver the operating instructions referred to in paragraphs 1 and 2 of this Article to the holder of energy approval, upon a written request.

Article 88

(1) The gas meter and other metering equipment for the preparation of gas and pressure regulation at the billing metering point, at the exits from the transmission system are an integral part of the transmission system.

(2) The Transmission System Operator maintains, at its own expense, the gas meter, other metering equipment and equipment for the preparation of gas and gas pressure regulation and is responsible for the calibration the gas meter and other metering equipment referred to in paragraph 1 of this Article.

(3) During installation, the gas meter and other metering equipment referred to in paragraph 1 of this Article shall have a valid certified seal from the current or previous year.

Article 89

(1) If the billing metering point is not owned by the Transmission System Operator, the owner shall:

a) ensure the conformity of the installed equipment, its operation and maintenance, with the technical requirements prescribed by special laws, regulations and norms regulating the field of metering and this Network Code, and the instructions of the Transmission System Operator,

b) allow the inclusion of the equipment into remote supervision and data gathering system of the Transmission System Operator,

c) allow the Transmission System Operator, at every request and without delay, access to the installed equipment and to the accompanying maintenance documentation,

d) inform the Transmission System Operator, in a timely manner, about the proper operation status, all malfunctions during operation, repairs and planned equipment maintenance works.

(2) If the owner of the billing metering point referred to in paragraph 1 of this Article does not allow access to the billing metering point, the Transmission System Operator has the right to suspend delivery of gas to the relevant owner, after the written notice has been delivered.

(3) At a written request, the Transmission System Operator shall deliver the instructions referred to in paragraph 1(a) of this Article to the holder of energy approval.

Article 90

At the request of the Transmission System User, Final Customer, Distribution System Operator or Closed Distribution System Organiser, the Transmission System Operator shall read the status of the gas meter, at the expense of the applicant, in accordance with the Price List of the Transmission System Operator Non-Standard Services.

Article 91

(1) The billing metering point at the entry into the transmissions system shall comprise the following metering equipment:

a) gas meter,

b) device for the conversion of gas volume with the corresponding metering pressure and temperature converters and with connections for the verification of its accuracy, with the function of storing data measured on an hourly basis and with a connection for data transfer,

c) equipment for continuous ascertaining of gas quality, with connections for the verification of accuracy and function of storing data measured on an hourly and daily basis and a connection for data transfer for a billing metering point of a capacity exceeding 20,000 kWh/h.

(2) The billing metering point at the entry into the transmissions system of a capacity below 20,000 kWh/h, shall comprise a standardised connection for natural gas sampling for the purpose of laboratory determination of the chemical composition and calorific value of gas.

(3) In case referred to in paragraph 2 of this Article, the owner of the billing metering point shall, at its own cost, collect gas samples once a week and carry out the sample testing in an authorised laboratory, and deliver the report of the authorised laboratory to the Transmission System Operator without delay.

Article 92

(1) The billing metering point at the exit from the transmissions system shall comprise the following metering equipment:

a) gas meter

b) device for the conversion of gas volume with the corresponding metering pressure and temperature converters and with connections for the verification of its accuracy, with the function of storing data measured on an hourly basis and with a connection for data transfer, and

c) standardised connection for the sampling of natural gas for the purpose of a laboratory determination of the gas composition and calorific value.

(2) The billing metering point at the exit from the transmission system may also comprise equipment for ascertaining the quality of natural gas.

Equipment for gas volume measuring

Article 93

(1) The gas meter can be of the following type:

a) turbine gas meter,

b) rotary piston gas meter,

c) ultrasonic gas meter.

(2) The measuring of the gas flow volume by a turbine gas meter and the rotary piston gas meter is carried out in accordance with the Regulation on the technical and metering requests with regards to gauges.

Article 94

(1) The ultrasonic flow meter shall comprise at least four pairs of measuring sensors.

(2) The measuring of the gas flow volume by ultrasonic flow meters is carried out in accordance with the following rules and standards:

a) ISO 17089

b) AGA 9, Measurement of gas by Multypath Ultrasonic meters, 2003;

c) BS 7965, The Selection, Installation, Operation and Calibration of Diagonal Path Transit Time Ultrasonic Flow Meters for Industrial Gas Applications, 2013.

Article 95

(1) The device for the conversion of gas volume can be:

a) gas volume corrector,

b) flow computer.

(2) The gas volume corrector or flow computer are measuring equipment with the appropriate computer programme which receives data from the gas meter and the metering pressure and temperature converters, and calculates the volume of natural gas at standard conditions.

(3) The equipment for determining the composition of gas with the possibility of continuous refreshing of data on the composition of gas and physical characteristics of gas can be added to the device for the conversion of gas volume.

Article 96

(1) The turbine gas meters and ultrasonic gas meters are used at the billing metering points at the entries into the transmission system.

(2) The following criteria are used for selecting the metering equipment at the billing metering points at the exits from the transmission system:

a) rotary piston gas meters or turbine gas meters are used for flows up to 500 m^3/h in operating conditions;

b) turbine gas meters, rotary piston gas meters or ultrasonic gas meters are used for flows over 500 m^3/h but under 30,000 m^3/h in operating conditions;

c) turbine gas meters or ultrasonic gas meters are used for flows over 30,000 m^3/h in operating conditions.

Article 97

(1) The number of metering lines at a billing metering point is determined according to the daily flow variations and the maximum daily flow, in the following manner:

a) one metering line is installed if one gauge can cover the entire metering area;

b) two or more metering lines of different ranges are installed if one gauge cannot cover the entire metering area;

c) a reserve metering line, as well as parallel metering are installed on a billing metering point with a maximum daily flow over 1,000,000 m^3/day;

d) a reserve metering line and/or parallel metering can also be installed at a billing metering point with the maximum daily flow under 1,000,000 m^3/day, if so requested by the Transmission System Users or if it is necessary for the reliability of operation of the metering system or the entire transmission system.

(2) During the construction of the billing metering point the upper limit of the metering range of the gas meter shall be larger than the connecting capacity (from the energy approval).

Adjustment of the Billing Metering Point

Article 98

(1) The Transmission System Operator has the right to adjust the billing metering point, at its own cost, if the utilisation of the connection capacity of the connection is beyond the limits of the metering range of the billing metering point, according to the actual utilisation of the connection, and for the purpose of ~~increasing~~ ensuring the measurement accuracy.

~~(2) The Transmission System Operator shall conduct the verification of the utilisation of the connection capacity at least once a year for the period of one year and it shall adjust the billing metering point if the utilisation of the connection capacity is lower than Q min of the measuring equipment at least 50% of the time of the observed period.~~

(2~~3~~) If the billing metering point is adjusted due to reasons stipulated in paragraph 1 of this Article, the Transmission System Operator shall issue a new energy approval for such a connection at its own expense.

Metering Equipment Testing

Article 99

(1) Legal metering instruments shall comply with the metering regulations, and shall be tested, verified and marked with prescribed markings.

(2) The preparation of legal metering instruments for verification is performed with the body authorised for the preparation of legal metering instruments for verification.

(3) The authorised verification body verifies the legal metering instruments.

(4) The metering equipment for the measuring of gas flow volume can be used for accounting purposes only if they have a valid verification by the authorised verification body.

(5) The testing of metering instruments can be performed more frequently with the aim of verifying the operation of metering equipment.

(6) The time parameters on the metering equipment are ascertained in accordance with the provisions of the act governing the calculation of time. During the introduction of summer and winter time, the time parameters on the metering equipment do not change.

Article 100

(1) The Transmission System Operator keeps a record of the metering equipment.

(2) The metering equipment records contain the following:

a) information on the installation location of the metering equipment
   - name of the billing metering point
   - name of the metering line
   - operating pressure of the metering line
   - maximum flow of the metering line

b) information on the installed gas meter
   - technical characteristics of the gas meter
   - information on the Ex-certificate of the gas meter
   - information on the metering verification of the gas meter

c) information on the installed corrector or flow computer
   - technical characteristics of the corrector or flow computer
   - information on the Ex-certificate of the corrector or flow computer
   - information on the metering verification of the corrector or flow computer

d) information on the equipment for determining gas quality
   - technical characteristics of the chromatograph
   - information on the Ex-certificate of the chromatograph
   - calibration gas certificate

e) information on the backup metering equipment.

Extraordinary Testing of the Gas Meter and/or Other Metering Equipment for gas volume measuring

Article 101

(1) The Transmission System User, Final Customer, Distribution System Operator, Closed Distribution System Organiser, Natural Gas Producer, Gas Storage System Operator or LNG Terminal Operator may request an extraordinary testing of the accuracy of the gas meter and/or other metering equipment.

(2) If the testing referred to in paragraph 1 of this Article shows that the gas meter and/or other metering equipment are inaccurate, the extraordinary testing costs are covered by the Transmission System Operator, and if the gas meter and other metering equipment are accurate, the extraordinary testing costs are covered by the applicant in accordance with the Price List of the Transmission System Operator non-standard services .

(3) In the event of inaccuracy of the gas meter and/or other metering equipment, the Transmission System Operator shall replace the gas meter and/or other measuring equipment at its own expense and correct the gas quantities ascertained for the period from the receipt of the request for extraordinary testing of the accuracy of the gas meter and/or other metering equipment until the replacement of the metering equipment, in application of rules prescribed in Article 102 of this Network Code.

Article 102

In the event of metering equipment failure, the Transmission System Operator corrects the data in one of the following ways:

a) by using the data from the gas meter and corrector or flow computer of parallel metering if they are available;

b) by using the data from the gas meter with pressure correction;

c) on the basis of the average volume of natural gas taken over in the previous periods, under the condition that the off-take of natural gas in these periods is approximately the same;

d) on the basis of the metering data of the Natural Gas Producer, Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator, LNG and/or CNG Supply Point Operator, or the Final Customer;

e) on the basis of a comparative analysis of off-take trends at the exits of similar characteristics,

f) based on the results of metering equipment testing conducted in a laboratory.

Replacement of the Metering Equipment for gas volume measuring

Article 103

(1) The Transmission System Operator shall inform the Natural Gas Producer, Distribution System Operator, Closed Distribution System Organiser, or the Final Customer, about the

replacement of the metering equipment no later than three days before the performance of the work.

(2) If the replacement of the metering equipment referred to in paragraph 1 of this Article requires restriction or suspension of gas delivery, the Transmission System Operator shall also notify the Transmission System User about the replacement of metering equipment.

(3) When replacing the metering equipment at the billing metering point where it is not possible to measure the volume of gas during the replacement of metering equipment, the volume equal to the product of the current gas flow, determined by the device for the conversion of gas flow immediately before the commencement of the replacement of metering equipment multiplied by the duration of the replacement, or the volume equal to the product of the evaluation on the basis of consumption trend analysis before the replacement multiplied by the duration of replacement, shall be considered as the off-taken or input volume.

Determining Gas Quality

Article 104

(1) The quality of gas is ascertained:

a) by determining the chemical composition of gas, mole fraction, %

b) by determining the content of sulphur compounds in the gas, weight share, mg/m^3,

c) by measuring the dew point of water and hydrocarbon, °C

(2) The calculation determines the following gas quality parameters:

a) relative density of gas, (air=1),

b) calorific value, MJ/m^3,

c) compressibility factor "Z",

d) Wobbe index, kJ/m^3

e) Methane number

(3) Ascertaining gas quality is carried out continuously with the equipment for determining the chemical composition of gas and equipment for measuring other gas quality parameters, installed at ~~a specific point of the transmission system~~ the gas sampling locations or, occasionally, by collecting gas samples and analysing them in an ~~authorised~~ accredited laboratory.

(4) The frequency of analyses in case of continuous gas quality ascertaining with the equipment installed at sampling locations, is determined so that the devices for natural gas quality ascertaining perform at least one analysis of gas per hour.

(5~~4~~) In the event of occasional gas quality ascertaining, gas samples are collected ~~twice a month, in the period from the third and tenth day of the month and in the period from the 16th and 23rd day of the month~~ when necessary, whereby the gas sampling shall be carried out in such a manner to ensure a representative and proper sample of the operating flow for the equipment for determining gas quality.

(6) Automatic sampling of gas for analyses is carried out pursuant to "HRN EN ISO 10715 – Natural gas – Instructions for sampling" standard or pursuant to the recommendations of the measuring equipment manufacturer, if the standard is not applicable.

(7) Natural gas composition is determined pursuant to "HRN EN ISO 6974 – Natural gas – Determination of composition and associated uncertainty by gas chromatography" standard.

(8) Calculation of relative density of gas and gas calorific value is carried out pursuant to "HRN EN ISO 6976 – Natural gas -- Calculation of calorific values, density, relative density and Wobbe indices from composition" standard.

(9) Methane number is calculated according to the method pursuant to "HRN EN 16726 - Gas infrastructure -- Quality of gas -- Group H " standard.

Equipment for Determining Gas Quality

Article 105

~~(1) The equipment for determining gas quality comprises the following:~~

~~a) process gas chromatograph for determining the chemical composition of gas~~

~~b) equipment for measuring other gas quality parameters:~~

~~- process analyser of water dew point~~

~~- process analyser of hydrocarbon dew point~~

~~- process analyser of the share of sulphur compounds in gas.~~

(1) The equipment for determining gas quality comprises the process gas chromatograph for determining the chemical composition of gas.

(2) The equipment for determining gas quality may also comprise the equipment for measuring other gas quality parameters, and that is:

- process analyser of water dew point
- process analyser of hydrocarbon dew point
- process analyser of the share of sulphur compounds in gas.

(3~~2~~) Equipment for determining the quality of gas shall be of a type allowing the measuring and calculation of at least the following parameters:

- from C_1 to C_{6+}, mole fraction, %,
- content of sulphur compounds in the gas, weight share, mg/m^3,
- water dew point and hydrocarbon dew point, °C

(4~~3~~) The equipment for determining the quality of gas shall be installed in accordance with the recommendations of equipment manufacturer and it shall be protected from the harmful environmental influences and vibrations.

(5~~4~~) The continuous determining of gas quality for the entries into the transmission system of a capacity over 20.000 kWh/h is carried out with equipment for determining the chemical composition of gas, content of sulphur compounds, water dew point and hydrocarbon dew

point, ~~installed~~ which shall be installed by the Producer, Storage System Operator or LNG Terminal Operator at its own cost at the billing metering point.

~~(5) As regards the entries into the transmission system of a capacity over 20.000 kWh/h which, at the moment of entry into force of this Network Code, are not furnished with the equipment for measuring the gas quality parameters, the Natural Gas Producer and the Gas Storage System Operator shall equip them at their own cost.~~

Article 106

~~(1) The continuous determining of gas quality for the exits from the transmission system is carried out by using equipment for determining the chemical composition of gas at specific points of the transmission system.~~

~~(2) The Transmission System Operator determines the specific areas and specific points with the approval of the Agency and publishes them on the website.~~

~~(3) In emergency situations the Transmission System Operator may change specific areas or specific points referred to in paragraph 2 of this Article, providing a written explanation thereof to the Agency within 2 business days from the change.~~

(1) Continuous determining of gas quality and calorific value for calculating the gas energy input into the transmission system exits, is performed by using the equipment for determining the chemical composition of gas installed at sampling locations referred to in Article 42 of this Network Code.

(2) Gas sampling locations on the transmission system for the purpose of gas quality monitoring and calculation of gas energy are determined by the Transmission System Operator so that several relevant sampling locations are determined for each connection.

(3) Primary relevant sampling location for a particular connection within the observed day is the sampling location situated on the transmission system upstream or downstream on the gas pipeline closest to the relevant connection.

(4) If the data from the primary relevant sampling place is unavailable or incorrect, for the purpose of determining gas quality and calorific value for the calculation of delivered gas energy, the data on the determined gas quantity from the first available and correct replacement sampling location, shall be used temporarily.

(5) The Transmission System Operator publishes on its website, and regularly updates:

a) a list of all sampling locations referred to in paragraph 2 of this Article,

b) a list of all connections with associated primary and replacement relevant sampling locations

c) rules for the use of the data on gas quality and calorific values for the calculation of the energy of delivered gas, determined at the sampling locations.

~~*Sampling Plan*~~ *Regular testing and control of the equipment for gas quality determining*

Article 107

~~(1) The Transmission System Operator shall prepare a sampling plan pursuant to Commission Regulation (EU) No 601/2012 of 21 June 2012 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council as last amended by Commission Regulation (EU) No 743/2014 of 9 July 2014 14 replacing Annex VII to Regulation (EU) No 601/2012 as regards minimum frequency of analyses.~~

~~(2) The Transmission System Operator shall, upon written request, provide access to theTransmission System User to the plan referred to in paragraph 1 of this Article.~~

(1) Transmission System Operator is responsible for timely, reliable and accurate determination of natural gas quality parameters.

(2) Transmission System Operator shall maintain the equipment for gas quality ascertaining in proper condition.

(3) Working instructions for the verification of the accuracy of the equipment for natural gas quality ascertaining, are part of the quality management system (ISO 9001) of the Transmission System Operator.

(4) Proper functioning of the equipment for gas quality ascertaining is insured by daily automatic calibration performed using the calibration gas.

(5) Calibration gas of a composition as similar as possible to the average composition of gas analysed on a particular sampling location in the previous year, shall be used for the calibration of the equipment for natural gas quality ascertaining.

(6) When the equipment for natural gas quality ascertaining is not property of the Transmission System Operator, the Transmission System Operator has a right to request a verificaton of the equipment for natural gas quality ascertaining and take part in the performance of such verification.

Reading of billing metering points and calculation of gas energy

Article 107a[6]

(1) The Transmission System Operator reads the billing metering points every day, for each hour in gas day D, using the system for remote reading of the billing metering of gas volume, to determine hourly gas quantities.

(2) Through the system for monitoring gas quality in the transmission system referred to in Article 39 of this Network Code, the Transmission System Operator continuously collects the data on gas composition and calorific values of gas on sampling locations on the transmission system.

~~(3) For calculating gas energy expressed in measuring unit of energy (kWh/h), the amount of gas volume flown through a particular billing measuring point in one hour expressed in measuring unit (m3/h) at standard pressure and temperature conditions is multiplied by the~~

[6] *Amendments to Art. 107a (OG 106/21) enter into force on 1/10/2022.*

~~amount of average net calorific value (kWh/m3) determined for a particular gas day for the relevant gas sampling location. Calculated gas energy is expressed as an integer value.~~

(3) For calculating gas volume expressed in measuring unit (Nm3/h) under normal reference conditions, the amount of gas volume flown through a particular billing measuring point in one hour expressed in measuring unit (Sm3/h) at standard reference conditions is multiplied by the coefficient of 0.9476 pursuant to ISO norm. Calculated gas volume is expressed as an integer value.

(4) For calculating gas energy expressed in measuring unit of energy (kWh/h), the amount of gas volume expressed in measuring unit (Nm3/h) at normal reference conditions is multiplied by the amount of average gross calorific value (kWh/m3) determined for a particular gas day for the relevant gas sampling location. Calculated gas energy is expressed as an integer value.

(~~4~~5) Average daily net calorific value for the sampling location for a gas day is calculated as the arithmetic mean value of the results of analyses of all individual gas samplings within the observed gas day, expressed in measuring unit kWh/m3 and rounded to six decimal places.

(~~5~~6) Daily gas quantity, expressed in measuring unit kWh/d, is calculated as a sum of daily quantities of kWh/h.

(~~6~~7) If due to technical reasons the data from the system for remote reading of billing measuring are not available or complete, the Transmission System Operator shall use the nomination for gas transmission usage of an individual Transmission System User in a balance group for an individual balance group for the relevant transmission system exit, in all daily reports referred to Articles 114, 120, 121 and 128 of this Network Code.

Rules for the Allocation of Jointly Measured Quantities

Article 108

(1) For interconnections, the rules for the allocation of the measured gas quantities per Transmission System User are determined by a bilateral interconnection agreement

(2) The Transmission System Operator publishes rules for each interconnection established by the bilateral interconnection agreement, on its website. The rules define the use of measuring units, metering rules as well as rules for determining and allocation of the daily gas quantity.

Article 109

(1) For the entry into the transmission system from the production gas pipeline network of the Natural Gas Producer and for the exit from the transmission system towards the Final Customer for which the capacity has been allocated for two or more Transmission System Users or the capacity was allocated to one Transmission System User based on contracted capacity within two or more balance groups, the Transmission System Operator allocates the measured quantity of gas from Article 111 of this Network Code to the Transmission System Users in proportion to the share of the last accepted individual nomination in the sum of all accepted nominations.

(2) Allocation of measured gas quantities at an individual entry into the transmission system from the Natural Gas Producer production gas pipeline network may be conducted in

application of rules jointly established by the Natural Gas Producer, gas suppliers and gas traders that are Transmission System Users, and the Balance Responsible Parties.

(3) Allocation of measured gas quantities at an individual exit from the transmission system towards the Final Customer may be conducted in application of rules jointly established by the Final Customer, its gas suppliers and gas traders that are Transmission System Users, and the Balance Responsible Parties.

(4) In the case referred to in paragraphs 2 and 3 of this Article, the Natural Gas Producer and the Final Customer respectively, shall conduct the allocation of the measured gas quantities.

(5) The Natural Gas Producer and the Final Customer referred to in paragraph 4 of this Article shall notify the Transmission System Operator in writing that they shall conduct the allocation of the measured gas quantities in accordance with paragraphs 2 and 3 of this Article no later than one business day from the commencement of application of the rules referred to in paragraphs 2 and 3 of this Article.

(6) The Natural Gas Producer and the Final Customer referred to in paragraph 4 of this Article shall notify the Transmission System Operator in writing on the termination of allocation of the measured gas quantities referred to in paragraph 5 of this Article, no later than one business day prior to termination of application of the rules referred to in paragraphs 2 and 3 of this Article.

(7) The notice referred to in paragraphs 5 and 6 of this Article shall contain information on the start date or the date of termination of the application of the rules referred to in paragraphs 2 and 3 of this Article and shall be signed by all parties involved.

Article 110

If the Transmission System Operator has established an operational balancing account with the Storage System Operator or the LNG Terminal Operator, gas quantities from the last nomination accepted by the Gas Storage System Operator or LNG Terminal Operator, are considered to be the off-taken or input quantities of gas for users of individual systems.

~~*Reading of the Billing Metering Points*~~

Article 111

~~(1) The Transmission System Operator reads the billing metering points on a daily basis, for each hour in gas day D, through a system for remote reading of billing metering, for the purpose of determining hourly gas quantities.~~

~~(2) If due to technical reasons the data from the system for remote reading of billing metering are not available or are incomplete, the Transmission System Operator uses the nomination of an individual Transmission System User in a balance group in all daily and monthly reports from Article 114, 120, 121 and 128 of this Network Code for an individual balance group for the concerned exit from the transmission system.~~

Determining Gas Quantity for the Daily Report

Article 112

(1) In gas day D, for the gas day D, the Transmission System Operator, allocates the measured gas quantities at the entry into the transmission system which is also the exit from the network of production pipelines of Natural Gas Producer and at the exit from the transmission system towards the Final Customer, in proportion to the share of the last accepted nomination in the sum of all accepted nominations at the relevant connection.

(2) In gas day D, for the gas day D, the Transmission System Operator allocates the gas quantities at the entry into the transmission system at an interconnection and at the exit from the transmission system at an interconnection, according to the last accepted nominations for an individual Transmission System User.

(3) In gas day D, for the gas day D, the Transmission System Operator allocates the gas quantities at the exit from the transmission system which is also the entry into the gas storage system and at the entry into the transmission system which is also the exit from the gas storage system, according to the last accepted nominations by the Gas Storage System Operator.

Article 113

In gas day D, for the gas day D, the Transmission System Operator allocates the measured gas quantities at the exit from the transmission system towards the distribution system, in proportion to the share of the last accepted nomination of an individual user from an individual balance group in the sum of all last accepted nominations for the relevant exit from the transmission system or the joint exit from the transmission system.

Article 114

The Transmission System Operator provides access to a daily report to the Balance Responsible Party twice in a gas day D, the first time at 12:00 o´clock (noon) for the period 6:00 AM -10:00 AM and the second time at 8:00 PM for the period 6:00 AM - 6:00 PM. The daily report contains the following information:

a) measured hourly gas quantity, for each individual exit from the transmission system at which the members of a balance group have contracted capacity, expressed in kWh/h,

b) the last confirmed nomination of an individual Transmission System User in an individual balance group, expressed in kWh/h,

c) allocated quantity of gas, per individual Transmission System User in a balance group, expressed in kWh/h,

d) accepted transactions of a balance group at the virtual trading point, concluded trades in products on the trading platform of the Gas Market Operator and the activated balancing energy for the balancing service, expressed in kWh/h.

Article 115

~~(1) In the event from Article 109 paragraph 5 of this Network Code, the Transmission System Operator provides acces to data on the total measured quantity of gas for the previous gas day to the Natural Gas Producer or the Final Customer, no later than 8:30 AM.~~

~~(2) In the event from Article 109paragraph 5 of this Network Code the Natural Gas Producer or the Final Customer shall deliver the information on the allocated gas quantity for the Transmission System Users in an individual balance group, to the Transmission System Operator, each day on business and non-business days, no later than 9:00 AM for the previous gas day.~~

Article 116

~~If the Natural Gas Producer or the Final Customer does not deliver the information from Article 115 paragraph 2 of this Network Code until 9:00 AM, the Transmission System Operator allocates the measured gas quantities proportionally to the share of the last accepted individual nomination in the sum of all last accepted nominations.~~

Article 117

The Transmission System Operator receives a daily report on the ascertained quantity of gas at the interconnection and the allocation of the ascertained quantity for an individual Transmission System User for each gas transmission direction at the interconnection, from the Transmission System Operator of a neighbouring country, on a daily basis, on business and non-business days, by 9:00 AM, for the previous gas day.

Article 118

The Storage System Operator shall deliver information on the gas storage system capacity use for each Gas Storage System User in individual balance group, expressed in kWh/day, to the Transmission System Operator, on a daily basis, on business and non-business days, no later than 9:15 AM, for the previous gas day.

Article 119

(1) Every business day by 10.00 AM at the latest Transmission System Operator provides the Natural Gas Producer with the insight into the data on the total determined energy of gas, for the previous day, separately for each transmission system entry which is also and exit from the network of production gas pipelines of the Natural Gas Producer.

(2)The Natural Gas Producer shall deliver the information on the use of contracted transmission system capacity, separately for each entry into the transmission system which is also the exit from the natural gas production, to the Transmission System Operator, on a daily basis, on business and non-business days, no later than 11:30 ~~8:30~~ AM, for the previous gas day. The information on the use of contracted capacity is ascertained on the basis of the billing metering points readout, and is expressed for each hour of the previous gas day in m3/h ~~kWh/h~~.

Article 119 a

(1) In the case referred to in Article 109 paragraph 5 of this Network Coded, the Transmission System Operator provides the Natural Gas Producer or Final Customer with access to data on the total determined gas energy for gas day D, by 11:00 AM of gas day D+1 at the lates.

(2) In the case referred to in Article 109 paragraph 5 of this Network Code, the Natural Gas Producer or Final Customer, daily, on business and non-business days until 12:00 (noon) at the latest, delivers data on the allocated gas energy for Transmission System Users in an individual balance group for the previous gas day, to the Transmission System Operator.

(3) If the Natural Gas Producer or Final Customer fail to deliver the data referred to in paragraph 2 hereof by 12:00 (noon), the Transmission System Operator allocates the determined gas energy in proportion to the share of an individual last accepted nomination in the sum of all last accepted nominations.

Article 120

~~(1) The Transmission System Operator allows access to information on measured daily gas quantities at the exit from the transmission system which is also the entry into the distribution system, to the Distribution System Operator and Closed Distribution System Organiser, on a daily basis, until 10:00 AM of gas day D+1 for gas day D.~~

(1~~2~~) The Transmission System Operator carries out the initial allocation of gas quantities, measured for each hour of the previous gas day at an individual exit from the transmission system or at the joint exit from the transmission system which is also the entry into the distribution system, on a daily basis.

(2~~3~~) The Transmission System Operator carries out the initial allocation referred to in paragraph 1~~2~~ of this Article per individual Transmission System User in an individual balance group, in proportion to the share of the last accepted nomination of an individual user from an individual balance group in the sum of all last accepted nominations for that exit or joint exit respectively.

Article 120 a[7]

(1) The Transmission System Operator provides the Distribution System Operator and Closed Distribution System Organizer, daily until 10:00 AM of gas day D+1, with access to the daily report for gas day D, containing the following information:

a) measured gas quantity and the determined gas energy for each exit from the transmission system into the distribution system of that Distribution System Operator, for each hour of the previous day, expressed in kWh/h and m3/h,

b) average daily gross calorific value ~~net calorific value~~, for each individual exit from the transmission system into the distribution system of that Distribution System Operator, expressed in kWh/m3.

[7] *Amendments to Art. 120a (OG 106/21) enter into force on 2/10/2022.*

(2) The Transmission System Operator provides the Gas Market Operator daily until 10:00 AM of gas day D+1, for gas day D, access to the daily report containing the following information:

a) determined gas energy for each individual exit from the transmission system into the distribution system, expressed in kWh/d,

b) average daily gross calorific value ~~net calorific value~~, for each individual exit from the transmission system into the distribution system, expressed in kWh/m3.

Article 120 b

(1) The Gas Market Operator provides the Transmission System Operator daily by 12:00 (noon) with access to information on allocation of daily off-taken gas energy for each individual Transmission System User in a particular balance group per each exit from the transmission system which is also an entry into the distribution system, expressed in kWh/d, which it carried out pursuant to the Methodology from Appendix II of this Network Code and the provisions of the Gas Distribution System Network Code.

(2) In the event that the data exchange between the Transmission System Operator and the Gas Market Operator is either not possible or the information referred to in paragraph 1 hereof is not available, the Transmission System Operator shall carry out the allocation in proportion to the share of the last accepted nomination of an individual user from an individual balance group in the sum of all last accepted nominations for the relevant transmission system exit or transmission system joint exit.

Article 121

(1) The Transmission System Operator provides access to a daily report to the Balance Responsible Party, on a daily basis, until ~~10:00 AM~~ 02:00 PM of gas day D+1 for gas day D. The report contains the following information:

a) measured hourly gas quantity, for each individual exit from the transmission system at which the members of a balance group have contracted capacity, expressed in kWh/h,

b) confirmed nomination or re-nomination of an individual Transmission System User in a balance group, expressed in kWh/h,

c) allocated gas quantity, per individual Transmission System User in a balance group, expressed in kWh/h,

d) transactions of a balance group carried out at the virtual trading point and the concluded trades in products on the trading platform of the Gas Market Operator, expressed in kWh/h.

e) average daily calorific value per individual connection, expressed in kWh/m3.

(2) The information on the carried out balancing actions, that is, the information on the total gas quantity shall be published by the Gas Market Operator.

(3) The Transmission System Operator provides access to a daily report to the Gas Market Operator and the Agency, on a daily basis, until ~~11:00 AM~~ 02:00 PM of gas day D+1 for gas day D. The report contains the following information:

a) the total contracted transmission system capacity of an individual Transmission System User in an individual balance group, expressed in kWh/h,

b) the last confirmed nomination of an individual Transmission System User in an individual balance group, expressed in kWh/h,

c) allocated quantity of gas, per individual Transmission System User in an individual balance group, expressed in kWh/h,

d) transactions carried out at the virtual trading point and trading on the trading platform of the Gas Market Operator, expressed in kWh/h,

e) daily imbalance of an individual balance group, expressed in kWh,

f) total daily imbalance of all balance groups, expressed in kWh,

g) utilisation of the balancing service, expressed in kWh.

Ascertaining gas quantity for the monthly report

Article 122

The Transmission System Operator receives a report on the ascertained daily quantity of gas at the interconnection for each gas day and the allocation of the ascertained quantity for an individual Transmission System User, expressed in kWh, for each direction of the gas transmission at the interconnection, from the Transmission System Operator of a neighbouring country, no later than the fifth day of the month, for the previous month.

Article 123

The Storage System Operator shall deliver information, for each Gas Storage System User, on the use of the gas storage system capacity, expressed in kWh/day, for each gas day of the previous month, to the Transmission System Operator, no later than the fifth day of the month for the previous month.

Article 123.a

(1) On the third day of the current month for the previous month, the Transmission System Operator shall deliver to the Natural Gas Producer the information on the total determined gas energy separately for each entry into the transmission system which is also an exit from the production gas pipeline network of the Natural Gas Producer.

(2) No later than the fourth day of the current month for the previous month, the Natural Gas Producer shall deliver to the Transmission System Operator the information on the usage of contracted transmission system capacity separately for each entry into the transmission system which is also an exit from the production gas pipelines network of the Natural Gas Producer. The information on the usage of contracted capacity is determined based on the readings of billing metering points and expressed for each gas day of the previous month in m3/day.

Article 124

(1) The Natural Gas Producer shall deliver information, for each gas supplier and gas trader it sells natural gas to, on the use of contracted transmission system capacity for each entry into the transmission system which is also the exit from the production gas pipeline network of the Natural Gas Producer, expressed in kWh, for each gas day of the previous month, to the Transmission System Operator, no later than the fifth day of the month for the previous month.

(2) If the Natural Gas Producer fails to deliver the information referred to in paragraph 1 of this Article, the Transmission System Operator allocates the measured gas quantities according to determined gas quantities for the daily report, pursuant to Article ~~116~~ 119.a paragraph 3 of this Network Code.

Article 125 [8]

~~(1) On the third business day of the current month, the Transmission System Operator shall deliver information to the Distribution System Operator and Closed Distribution System Organiser, or shall allow access to information, on the measured daily gas quantities for each gas day of the previous month at each physical exit from the transmission system into the distribution system of that Distribution System Operator, expressed in kWh/d.~~

(1~~2~~) On the third business day of the current month, the Transmission System Operator shall deliver information to the Distribution System Operator and Closed Distribution System Organiser or shall allow access to the information on measured daily gas quantities for each gas day of the previous month at each exit from the transmission system into the distribution system of that Distribution System Operator and Closed Distribution System Organiser at which two or more Transmission System Users have contracted capacity or one Transmission System User, as a member of two or more balance groups, has contracted capacity. The following information shall be delivered, or allowed access to, to the Distribution System Operator:

a) measured daily quantity of gas, for each individual exit from the transmission system into the distribution system of that Distribution System Operator, for each day of the previous month, expressed in kWh/d,

b) name of the user at an individual exit from the transmission system and the name of the balance group,

c) ascertained gross calorific value ~~net calorific value~~.

(2~~3~~) The Distribution System Operator and Closed Distribution System Organiser shall deliver information on the energy taken over, to the Transmission System Operator, no later than the eight day of the month, in the manner prescribed by the Network Code of the Gas Distribution System.

(3~~4~~) For an individual user in an individual balance group, for whom the Distribution System Operator and the Closed Distribution System Organiser delivered information on the monthly measured delivered energy in accordance with the provisions of the Network Code of the Gas Distribution System, the Transmission System Operator calculates the daily amount of taken over gas by multiplying the measured monthly delivered energy with the share of daily taken

[8] *Amendment to Art. 125 para. 1 (OG 106/21) enters into force on 1/11/2022.*

over energy at an individual exit from the transmission system which is also the entry into the distribution system, for an individual gas day, determined according to the formula:

$$U_{di} = Q_{di}/Q_m, \text{ (kWh)}$$

U_{di} – share of energy delivered at an individual exit from the transmission system which is also the entry into the distribution system, for a gas day *i*;

Q_{di} –energy delivered at an individual exit from the transmission system which is also the entry into the distribution system, in a gas day *i* (kWh);

Q_m – total energy delivered at an individual exit from the transmission system which is also the entry into the distribution system, in a month (kWh).

(45) If the parties referred to in paragraph 23 of this Article fail to deliver the information referred to in paragraph 23 of this Article, the Transmission System Operator shall perform the allocation in proportion to the share of the last accepted nomination of an individual user in an individual balance group in the sum of all last accepted nominations for the relevant exit from the transmission system or joint exit from the transmission system and shall notify, without delay, the Balance Responsible Parties affected by the allocation, the parties referred to in paragraph 23 of this Article and the Agency, thereof.

Article 125.a[9]

(1) Not later than the third business day in the current month, the Transmission System Operator shall provide the Distribution System Operator and Closed Distribution System Organiser with access to the monthly report for the previous month containing the following information:

a) measured daily gas quantities and the determined daily gas energy for each gas day of the previous month at each exit from the transmission system which is also the entry into the distribution system of that Distribution System Operator or Closed Distribution System Organiser, expressed in kWh/day and m3/day,

b) determined average daily gross calorific value ~~net calorific value~~ for each gas day of the previous month at each exit from the transmission system into the distribution system of that Distribution System Operator or Closed Distribution System Organiser, expressed in kWh/m3.

(2) Not later than the third business day in the current month, the Transmission System Operator shall provide the Gas Market Operator with access to the monthly report for the previous month containing the following information:

a) determined daily gas energy for each gas day of the previous month at each exit from the transmission system which is also the entry into the distribution system, expressed in kWh/day,

b) determined average daily gross calorific value ~~net calorific value~~, for each gas day of the previous month at each exit from the transmission system which is also the entry into the distribution system, expressed in kWh/m3.

[9] *Amendments to Art. 125a para. 1 and 2 (OG 106/21) enter into force on 1/11/2022.*

(3) If the Distribution System Operator and Closed Distribution System Organiser are aware that the information stated in the report referred to in paragraph 1 hereof is not valid, they may notify the Transmission System Operator thereof within one business day from receiving the report referred to in paragraph 1 hereof and request an additional verification of the information.

(4) If an error in the information is determined pursuant to paragraph 3 hereof, the Transmission System Operator shall correct the information referred to paragraph 1 hereof.

Article 125.b

Not later than the fourth business day in the current month for the previous month, the Gas Market Operator shall provide the Transmission System Operator with access to information on the allocation of daily off-taken gas energy for each individual Transmission System User in each balance group per each exit from the transmission system which is also an entry into the distribution system, for each day of the previous month, which was carried out pursuant to the Methodology from Appendix II of this Network Code and the provisions of the Gas Distribution System Network Code.

Article 125.c

If the Transmission System Operator does not receive the information on the allocation of daily off-taken gas energy, referred to in Article 125.b of this Network Code, the Transmission System Operator shall draw up the monthly report according to the information from the daily reports.

Article 126 [10]

(1) On the third business day of the current month, the Transmission System Operator shall deliver data to the Final Customer, or allow access to the data, on the measured daily quantities of gas for each gas day of the previous month at each exit from the transmission system to which the system is connected, expressed in kWh/d, m^3/day, as well as on the amount of corresponding calorific value.

(2) On the third business day of the current month, the Transmission System Operator shall deliver data to the Final Customer, or allow access to the data, on the measured daily quantities of gas for each gas day of the previous month at each exit from the transmission system for which the allocation rules were established pursuant to Article 109(3) of this Network Code. Access shall be allowed to the following data:

a) measured daily quantity of gas, for each individual exit from the transmission system of the Final Customer, for each day of the previous month, expressed in kWh/d,

b) name of the user at an individual exit from the transmission system and the name of the balance group,

c) ascertained gross calorific value ~~net calorific value~~.

[10] *Amendment to Art. 126 para. 2 (OG 106/21) enters into force on 1/11/2022.*

(3) The Final Customer shall deliver the data on the use of the contracted transmission system capacity per Transmission System User and per balance group, to the Transmission System Operator, no later than the fourth business day of the month, whereby the sum of the allocated values, for each day, shall be equal to the measured gas quantities at an individual exit from the transmission system referred to in paragraph 2 of this Article.

(4) If the Final Customer fails to deliver the data referred to in paragraph 3 of this Article, the Transmission System Operator allocates the measured gas quantities in proportion to the share of an individual last accepted nomination in the sum of all last accepted nominations for the corresponding exit from the transmission system.

Article 127

On the fifth business day of the month, the Transmission System Operator shall deliver data, to the Transmission System User supplying gas to the Final Customer, on the ascertained and allocated gas quantities for that Final Customer, for each gas day in the previous month.

Article 128 [11]

(1) ~~On the basis of data referred to in Articles 122 to 126 of this Network Code, the Transmission System Operator shall provide the Balance Responsible Party, no later than the 11th day of the month by 12 o´clock (noon), with access to the monthly report for each gas day of the previous month, containing the following information:~~

One business day after receiving the data from article 125.b of this Network Code in the current month, the Transmission System Operator shall provide the Balance Responsible Party with access to the monthly report, containing the following information for each gas day of the previous month:

a) confirmed nomination or re-nomination of an individual Transmission System User in a balance group, expressed in kWh/day,

b) allocated gas quantity per individual Transmission System User in a balance group, expressed in kWh/day,

c) carried out transactions of a balance group at the virtual trading point and trades on the trading platform of the Gas Market Operator, expressed in kWh/day

d) daily imbalance of the balance group, expressed in kWh.

e) determined gross calorific value ~~net calorific value~~.

(2) ~~On the basis of data referred to in Articles 122 to 126 of this Network Code, the Transmission System Operator shall provide the Gas Market Operator and the Agency, no later than the 13th day of the month, by 4:00 PM, , with access to the monthly report for each balance group, for each gas day of the previous month, containing the following information:~~

One business day after receiving the information referred to in Article 125.b of this Network Code, in the current month, the Transmission System Operator shall provide the Gas Market

[11] *Amendment to Art. 128 para. 1 (OG 106/21) enters into force on 1/11/2022.*

Operator and the Agency with access to the monthly report, containing the following information:

a) total contracted transmission system capacity of an individual Transmission System User in an individual balance group, expressed in kWh/day,

b) confirmed nomination or re-nomination of an individual Transmission System User in an individual balance group, expressed in kWh/day,

c) allocated gas quantity per individual Transmission System User in an individual balance group, expressed in kWh/day,

d) carried out transactions of a balance group at the virtual trading point and trades on the trading platform of the Gas Market Operator, expressed in kWh/day

e) daily imbalance of an individual balance group, expressed in kWh/day,

f) total daily imbalance of all balance groups, expressed in kWh,

g) utilisation of the balancing service, expressed in kWh/day

XV PUBLICATION AND EXCHANGE OF INFORMATION

Publication of Information

Article 129

The Transmission System Operator shall publish and update the data on the website in accordance with EU Regulations, the laws governing the energy sector, regulation of energy activity and gas market, and the regulations adopted pursuant to those laws, as well as this Network Code.

Exchange of Information and Communication

Article 130

(1) The Transmission System Operator exchanges data on a daily and monthly basis with the following gas market participants:

a) Transmission System Operator of a neighbouring country

b) Natural Gas Producer,

c) Gas Storage System Operator,

d) Distribution System Operator,

e) Closed Distribution System Organiser,

f) Transmission System User,

g) Final Customer,

h) Balance Responsible Party,

i) Gas Market Operator.

(2) The Transmission System Operator shall exchange data defined in the provisions of this Network Code, for reservation, nomination and reporting procedures, as well as other information in accordance with EU regulations and the laws regulating the gas market, with gas market participants.

(3) The exchange of data referred to in paragraph 2 of this Article shall take place via the SMCTS or by exchanging files by e-mail.

(4) The Transmission System Operator shall publish the e-mail address for data delivery and communication with the market participants, on the website.

(5) The Transmission System Operator determines the format, structure and content of the exchange file referred to in paragraph 3 of this Article, and the gas market participants do not have the right to change it.

(6) The contact information of the Transmission System Operator is listed on the website.

(7) In order to exchange data via SMTSC, the Transmission System Operator shall, based on the concluded Agreement on Access to SMCTS, allow individual participants referred to in paragraph 1 of this Article access to SMTSC and assign a user account, login password and user rights.

(8) The form of the agreement referred to in paragraph 7 of this Article shall be published on the website by the Transmission System Operator.

(9) Gas market participants that conclude an Agreement on Access to the SMCTS with the Transmission System Operator, are required to provide technical preconditions for a safe and unrestricted access to the SMTSC.

(10) Gas Market Participants allowed access to SMTSC shall ensure that the user rights referred to in paragraph 7 of this Article are used exclusively by persons authorised in accordance with the Agreement on Access to the SMTSC and exclusively for the purposes the access was allowed for.

(11) Gas Market Participants allowed access to the SMTSC shall, without delay, notify the Transmission System Operator of any change concerning the persons referred to in paragraph 10 of this Article.

(12) The Transmission System Operator shall have the right to cancel the approved access to SMTSC if the Agreement on Access to SMTSC has been terminated, if the user rights are used contrary to the Agreement on Access to SMTSC or this Network Code, and if circumstances have occurred due to which technical conditions for access to SMTSC are no longer secured.

(13) Gas Market Participants allowed access to SMTSC, are liable for any damage the Transmission System Operator may incur due to the lack of technical preconditions for safe and unrestricted access to SMTSC, unauthorized use of SMTSC and failure to deliver data pursuant to paragraphs 10 and 11 of this Article.

XVI RESTRICTION AND SUSPENSION OF GAS DELIVERY

Article 131

(1) The Transmission System Operator has the right to restrict or suspend gas delivery when the conditions prescribed by laws regulating the gas market and by General terms and conditions for the use of gas transmission services are not fulfilled, and for other reasons prescribed by this Network Code or other laws governing the energy sector and regulation of energy activities.

(2) The Transmission System Operator may restrict or suspend gas delivery in a planned manner with prior notice or by emergency procedure.

(3) The Transmission System Operator shall notify the gas market participants affected by the gas delivery suspension, the Ministry and the Agency about the suspension of gas delivery to the Final Customer at the request of the Transmission System User, or about the suspension of gas delivery to the Transmission System User due to failure to meet contractual obligations towards the Transmission System Operator, no later than two days before the gas delivery suspension.

Gas delivery suspension at the request of the Transmission System User

Article 132

(1) The Transmission System User may request the Transmission System Operator to suspend gas delivery to the Final Customer, provided that:

a) the Transmission System User is the only supplier supplying the Final Customer with gas,

b) the Final Customer has not fulfilled its financial obligation towards the Transmission System User,

c) the Transmission System User notifies the Final Customer in writing of the intended gas delivery suspension and the time of the suspension, and provides it with a deadline, which may not be shorter than seven days after the receipt of the notice, for a controlled suspension of gas delivery.

(2) As an exception to paragraph 1(a) of this Article, at the exit from the transmission system where the gas transmission service is used by two or more Transmission System Users, it is possible to carry out the suspension of gas delivery to the Final Customer with the consent of all Transmission System Users using gas transmission services at that exit.

(3) The Transmission System User shall deliver an order for the suspension of gas delivery to the Transmission System Operator, in writing, by registered mail with return receipt, at least 48 hours before the required suspension of gas delivery.

(4) The Order referred to in paragraph 3 of this Article shall contain:

a) information on the name of the Final Customer, the exact time and place of the suspension of gas delivery;

b) evidence that the deadline from the notice for payment sent by the Transmission System User to the Final Customer, has expired;

c) evidence that the Final Customer received the written notice referred to in paragraph 1(c) of this Article.

(5) If the suspension order does not contain all the information referred to in paragraph 4 of this Article, the 48-hour deadline for the suspension of gas delivery shall commence from the day when the Transmission System Operator receives a proper and complete suspension order from the Transmission System User.

(6) The suspension of gas delivery to the Final Customer is carried out by immediate closing of the valves on the connection, in the presence of an authorised representative of the Transmission System User, during which the representatives of the Transmission System User and the Transmission System Operator sign the corresponding minutes stating the time and date of the suspension of gas delivery, the status of the meter and the existence of the seal on the bypass line.

(7) The re-establishment of gas delivery is carried out by gradual or immediate opening of the valves on the connection, upon the request and in the presence of an authorised representative of the Transmission System User, during which the authorised representatives of the Transmission System User and the Transmission System Operator sign the corresponding minutes stating the time and date of re-establishment of gas delivery, the status of the meter and the existence of the seal on the bypass line.

(8) In the case referred to in paragraph 7 of this Article, the Transmission System User shall provide the Transmission System Operator with a signed statement by the Final Customer of readiness to safely off-take gas.

(9) The Transmission System Operator is not liable for damage that the Final Customer or third party may incur due to the suspension or re-establishment of gas delivery in accordance with this Article. In the event that the Transmission System Operator compensates the Final Customer or a third party for damages, it has the right to request payment of the corresponding compensation from the Transmission System User.

(10) The Transmission System Operator may request the Transmission System User requesting the suspension of gas delivery to the Final Customer, to submit Payment Security for the purposes of settling the claims the Final Customer or a third party might have towards the Transmission System Operator due to the suspension of gas delivery.

(11) If the Transmission System User fails to submit the requested Payment Security, the Transmission System Operator has the right to refuse to suspend gas delivery to the Final Customer.

Restriction or Suspension of Gas Delivery in the Event of a Malfunction or an Accident on the Transmission System

Article 133

(1) In the event of a malfunction or an accident on the transmission system, endangering the safety of people and property, the Transmission System Operator has the right to immediately suspend the delivery of gas, with a telephone notification to the Transmission System User, Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator or the Final Customer, affected by the suspension, and a subsequent notice in writing.

(2) In the event of a malfunction or an accident on a connected system, the Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator or the Final Customer notifies the Transmission System Operator of the malfunction on the connected system, with a request for the suspension of gas delivery, by telephone to the dispatcher centre and a subsequent notice in writing. After receiving the notice on the time of the suspension of gas delivery, the Transmission System Operator shall notify the Transmission System Users affected by the suspension.

(3) In the event of a malfunction or an accident on a connected system, for which the Transmission System Operator has verified information it causes or may cause a threat to the lives and health of people or property damage, the Transmission System Operator shall temporarily disconnect the connected system from the transmission system, without delay.

(4) All notifications referred to in this Article shall contain at least the following information: the time when the gas delivery shall be suspended, reasons for the suspension, anticipated duration of the suspension of gas delivery and contact persons.

(5) The Transmission System Operator shall restore regular operation of the transmission system after the malfunction referred to in the paragraphs of this Article has been eliminated and shall notify the Transmission System Users affected by the suspension of gas delivery, thereof.

Article 134

(1) The Transmission System Operator has the right to restrict or suspend the contracted gas transmission if the technical capacity at an individual entry into the transmission system or at an individual exit from the transmission system is exceeded.

(2) In the event referred to in paragraph 1 of this Article, the Transmission System Operator shall notify the Transmission System Users the restriction or suspension pertains to, 24 hours in advance.

Article 135

(1) Before re-establishing the gas delivery, the Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator, Natural Gas Producer or the Final Customer shall deliver a written statement on the readiness for safe gas reception, to the dispatching centre of the Transmission System Operator.

(2) The Transmission System Operator is not responsible for possible damage and consequences the Transmission System User, Final Customer, Distribution System Operator, Closed Distribution System Organiser, Storage System Operator, LNG Terminal Operator or the Final Customer may incur due to the restriction of gas delivery or suspension of gas transmission referred to in this chapter of the Network Code.

XVII UNAUTHORISED CONSUMPTION OF GAS

Article 136

(1) In the case of unauthorised gas consumption in the sense of the legislation governing the gas market, the Transmission System Operator has the right to suspend gas delivery to the Final Customer without prior notice.

(2) The Transmission System Operator shall, within 24 hours of the start of the suspension, notify the Transmission System User supplying the Final Customer with gas, about the suspension of gas delivery referred to in paragraph 1 of this Article.

(3) In the case of unauthorised gas consumption, the Final Customer shall pay the Transmission System Operator the fee for the use of the transmission system and the fee for the delivered gas, within eight days from the issuance of the invoice.

(4) If the Transmission System Operator can establish the start of unauthorised gas consumption, the fee for the unauthorised gas consumption is calculated according to the established time of unauthorised gas consumption.

(5) The fee for the use of the transmission system in the event of unauthorised gas consumption is determined according to the connection capacity from the energy approval and the tariff items for the use of capacity on a daily basis.

(6) The monetary obligation for the delivered gas in the event of unauthorised gas consumption is determined according to the connection capacity from the energy approval for that billing metering point for the days the unauthorised gas consumption was determined for and at the marginal purchase price determined by the Gas Market Operator for the relevant gas day and published on the website.

(7) In the case of unauthorised gas consumption, the Transmission System Operator has the right to replace the gas meter and/or other measuring equipment or to relocate the billing metering point at the expense of the Final Customer.

(8) The Transmission System Operator shall re-establish gas delivery in agreement with the Transmission System User, only after the Final Customer has settled all outstanding debts referred to in this Article, including costs of the replacement of gas meters and/or other measuring equipment.

XVIII CONGESTION MANAGEMENT PROCEDURES AT AN INTERCONNECTION

Article 137

(1) Congestion management procedures are applied for the purpose of reducing contractual congestion at an interconnection.

(2) In the case of contractual congestion, the Transmission System Operator shall apply congestion management procedures for the purpose of bringing unused capacity back to the market and shall offer it to the Transmission System Users in the regular procedure of contracting capacity at an interconnection.

(3) For the purpose of managing contractual congestion, the Transmission System Operator, depending on the request or approval of the Agency, may apply one of the following congestion management procedures:

a) Surrender of contracted firm capacity

b) Withdrawal of the unused long-term contracted firm capacity

c) Offer of additional firm capacity and buy-back of the contracted firm capacity

d) Firm Day-Ahead Use-It-Or-Lose-It mechanism

(4) The Transmission System Operator shall submit a report on contractual congestion to the Agency, for the period from 1st April until 30th September no later than the 1st November of each year, and for the period from 1st October until 31st March no later than 1st May of each year.

(5) The report referred to in paragraph 4 of this Article shall contain at least the analysis of the contractual congestion in the observed period and the analysis of the applied contractual congestion management measures.

(6) The Transmission System Operator shall apply a congestion management procedure, regardless of other congestion management procedures based on the Agency's request or approval.

Surrender of Contracted Firm Capacity

Article 138

(1) In the event of contractual congestion at an interconnection, the Transmission System User may surrender the contracted firm capacity it no longer needs to the Transmission System Operator, with the exception of capacity based on daily and within-day standard capacity products.

(2) In the case referred to in paragraph 1 of this Article, the Transmission System User shall deliver to the Transmission System Operator a request to surrender the contracted firm capacity no later than three days prior to the day on which it intends to surrender the capacity.

(3) The Transmission System User that wants to surrender capacity shall transfer the rights to use the capacity on the secondary market to the Transmission System Operator.

(4) The Transmission System Operator shall offer the surrendered capacity and allocate it to the Transmission System Users in the regular procedure of contracting capacity at an interconnection.

(5) In cases where the Transmission System User wants to surrender capacity of the yearly, quarterly and monthly standard capacity product, and capacity demand is lower than the sum of the total contracted capacity it wants to surrender, the Transmission System Operator shall first allocate the capacity of the product contracted by the Transmission System User as a monthly product, then quarterly, and lastly it allocates the capacity of the yearly standard capacity product.

(6) The Transmission System User shall retain all rights and obligations under the Interconnection Gas Transmission Contract in relation to the capacity from the request to

surrender capacity, until the Transmission System Operator delivers the notice on the allocation of capacity at an interconnection to another Transmission System User.

(7) Regarding the capacity indicated in the request to surrender, which is not allocated to another Transmission System User, the Transmission System User that submitted the request to surrender capacity retains all rights and obligations under the Interconnection Gas Transmission Contract.

(8) The Transmission System Operator shall deliver the notice referred to in paragraph 6 of this Article to the Transmission System User submitting the request to surrender capacity.

(9) The Transmission System Operator is deemed to have agreed to surrender the allocated capacity at the time the notification referred to in paragraph 6 is delivered to the Transmission System User submitting the request to surrender capacity.

(10) The rights and obligations between the Transmission System Operator and the Transmission System User surrendering the capacity shall be regulated by the Agreement on the surrender of capacity.

(11) The integral parts of the Agreement on the surrender of firm capacity are:

a) request to surrender the firm capacity referred to in paragraph 2 of this Article

b) notice on the allocated transmission system capacity at the interconnection, allocating the surrendered capacity to another Transmission System User.

(12) In the event that two or more Transmission System Users deliver the request to surrender capacity, and the demand for capacity is less than the total offered capacity, the Transmission System Operator shall allocate the capacity according to the order in which the requests to surrender the capacity were received.

Withdrawal of the Unused Long-Term Contracted Firm Capacity

Article 139

(1) The Transmission System Operator may withdraw unused long-term contracted firm capacity from the Transmission System User in accordance with the provisions of Regulation No 715/2009.

(2) In the event of contractual congestion, the Transmission System Operator shall deliver data on the daily use of contracted firm capacity for Transmission System Users with systematically underutilised capacity, to the Agency, within the time limits referred to in Article 137(4).

(3) In accordance with the request by the Agency, the Transmission System Operator shall completely or partially withdraw unused contracted firm capacity and, without delay, deliver a notice on the withdrawal of the capacity to the Transmission System User the contracted firm capacity has been withdrawn from.

(4) The Transmission System Operator shall, without delay, offer the withdrawn capacity to the Transmission System Users in the regular procedure of contracting capacity at an interconnection.

(5) The Transmission System User the contracted firm capacity has been withdrawn from, shall retain all rights and obligations under the Interconnection Gas Transmission Contract in

relation to the withdrawn capacity up to the time of the allocation of capacity to another Transmission System User.

(6) The Transmission System Operator shall notify the Transmission System User, the contracted firm capacity has been withdrawn from, of the allocation of capacity to another Transmission System User.

(7) Regarding the capacity indicated in the notice on capacity withdrawal, which is not allocated to another Transmission System User, the Transmission System User the contracted firm capacity has been withdrawn from, retains all rights and obligations under the Interconnection Gas Transmission Contract.

(8) After receiving the notification referred to in paragraph 3 of this Article, the Transmission System User has no right to sell the withdrawn capacity on the secondary market.

Offer of Additional Firm Capacity and Buy-Back of the Contracted Firm Capacity

Article 140

(1) In the event of contractual congestion, based on the incentive regime published by the Agency and the reports referred to in Article 137(4), the Transmission System Operator shall develop a program of offers of additional firm capacity and buy-back of the contracted firm capacity and publish it on the official website.

(2) In the event of contractual congestion, the Transmission System Operator may propose the application of the program of offers of additional firm capacity and buy-back of the contracted firm capacity, to the Agency, when it has been established, based on statistical data, that the following conditions have been met:

a) in the last five gas years contractual congestion has been established for the same period,
b) in a period of three consecutive gas years, at an individual interconnection interruptible capacity of the transmission system was contracted and was not interrupted, and
c) in the last five gas years at least 10% (ten percent) of the technical capacity at an individual interconnection was unused.

(3) The Transmission System Operator shall, upon the approval of the Agency, offer additional firm capacity to the Transmission System Users, taking into account the criteria prescribed by Regulation No 715/2009.

(4) The Transmission System Operator shall offer additional firm capacity as bundled capacity to the extent possible, subject to agreement with the neighbouring Transmission System Operator.

(5) In case that after the allocation of additional capacity, the Transmission System Operator determines that the total sum of nominations of all Transmission System Users for a particular gas day exceeds the technical capacity, it shall offer the Transmission System Users a buy-back of the contracted firm capacity.

(6) The rules for the buy-back of the contracted firm capacity shall be defined by the program referred to in paragraph 1 of this Article, with the same being non-discriminatory, transparent and market-based.

Firm Day-Ahead Use-It-Or-Lose-It mechanism

Article 141

(1) At the request of the Agency, the Transmission System Operator shall apply the rules on the restriction of re-nomination of firm capacity when the conditions prescribed by Regulation No 715/2009 are met.

(2) In the case referred to in paragraph 1 of this Article, the Transmission System Operator shall restrict the re-nomination of firm capacity at an interconnection under the following rules:

a) re-nomination is permitted up to 90% of the contracted capacity
b) re-nomination is permitted down to 10 % of the contracted capacity

(3) The Balance Responsible Party that nominated more than 80% of the contracted capacity at an interconnection, may re-nominate upwards, no more than half of the non-nominated amount of the one it nominated in accordance with Article 81(1) of the Network Code.

(4) The Balance Responsible Party that nominated less than 20% of the contracted capacity at an interconnection, may re-nominate downwards, no more than half of the non-nominated amount of the one it nominated in accordance with Article 81(1) of the Network Code.

XIX AMENDMENTS TO THE TRANSMISSION SYSTEM NETWORK CODE

Article 142

(1) This Network Code is amended upon the proposal of the Transmission System Operator or on the request of the Agency under the same procedure as for their adoption.

(2) All amendments to this Network Code, which affect the modification of the information system for the management of the transmissions system capacities, can enter into force only after the necessary deadline for the adjustment of the information system, determined by the Transmission System Operator.

XX TRANSITIONAL AND FINAL PROVISIONS

Article 143

~~(1) If, at the time this Network Code enters into force, the billing metering point at the entry into the transmission system, owned by a Natural Gas Producer or the Storage System Operator, with a capacity over 20,000 kWh/h, is equipped with a process gas chromatograph, but not with equipment for measuring other gas quality parameters, the deadline for the complete equipping of the metering point is 31 December 2020.~~

~~(2) If the owner of the billing metering point at the entry into the transmission system does not equip the billing metering point in accordance with the deadlines from this Article, the Transmission System Operator may construct a new billing metering point and equip it with the corresponding equipment pursuant to this Network Code, at the expense of the owner that has not equipped the billing metering point in the prescribed deadline. Until the moment the billing metering point is equipped with corresponding equipment, the owner shall determine~~

~~the chemical composition of gas once a week and inform the Transmission System Operator on the results.~~

~~(3) The Transmission System Operator and the Distribution System Operator (Closed Distribution System Organiser) shall conclude an agreement on mutual rights and obligations referred to in Article 31 paragraph 2 of this Network Code, no later than 31 December 2018.~~

~~(4) As an exception to Article 28 paragraph 3of this Network Code, and until the adoption of a new Price List of the Transmission System Operator Non-standard Services , the price for the preparation of the study on the execution of a connection is equal to the price for the preparation of the study for the extraordinary creation of technical conditions in the transmission system indicated in the Price List of the Transmission System Operator Non-standard Services for the 2017-2021 regulation period.~~

~~(5) The Transmission System Operator shall publish the template of the agreement referred to in Article 31 paragraph 5 of the Network Code no later than 1 September 2018.~~

~~*Additional Rules for Contracting and Using Interruptible Capacity at the Croatia-Hungary Interconnection in the Direction from Croatia to Hungary*~~

Article 144 [12]

~~(1) A Transmission System User that wants to contract, a standard capacity product for interruptible capacity at the Croatia-Hungary interconnection, in the direction from Croatia to Hungary, shall contract the Non-standard service "The use of interruptible capacity with reduced interruptibility at the Croatia-Hungary interconnection" with the Transmission System Operator, in accordance with this Article.~~

~~(2) The Transmission System User referred to in paragraph 1 of this Article shall contract a non-standard service in accordance with this Article, irrespective of whether or not an Interconnection Gas Transmission Contract has been concluded with the Transmission System Operator.~~

~~(3) The Transmission System User shall pay the Transmission System Operator a fee for the non-standard service referred to in paragraph 1 of this Article in accordance with the price list of the Transmission System Operator non-standard services and the Contract for providing non-standard service of the use of interruptible capacity with reduced interruptibility at the Croatia-Hungary interconnection.~~

~~(4) The Transmission System User referred to in paragraph 1 of this Article shall, no later than 20 days before the start of the auction it wants to participate in, deliver to the Transmission System Operator: a signed contract form for the provision of non-standard services of the use of interruptible capacity with reduced interruptibility at the Croatia-Hungary interconnection, which is published on the website of the Transmission System Operator and the Payment Security stipulated in the contract for the provision of non-standard services.~~

~~(5) The Transmission System Operator shall refuse access and participation of the Transmission System User in the auction for standard capacity products at the Croatia-Hungary interconnection for interruptible capacity in the direction from Croatia to Hungary and cancel its active status:~~

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[12] Strike of Art. 144 (OG 106/21) enters into force on 1/10/2022.

~~(a) if the Transmission System User does not meet the obligations referred to in paragraph 4 of this Article in full, within the stipulated deadline, and/or~~

~~(b) if the Transmission System Operator does not have at its disposal, at the latest five business days prior to the beginning of the auction the Transmission System User wants to participate in, additional or new means of payment security the User is required to submit pursuant to the provisions of the contract on providing a non-standard service "The use of interruptible capacity with reduced interruptibility at Croatia-Hungary interconnection"; and/or~~

~~(c) if the contract on providing a non-standard service for the use of interruptible capacity with reduced interruptibility at Croatia-Hungary interconnection is terminated for any other reason; and/or~~

~~(d) in other cases expressly provided for in this Network Code or the General terms and conditions of the use of gas transmission services in Annex I to this Network Code.~~

~~(6) This Article shall apply until 1 January 2020.~~

Article 145

On the date this Network Code enters into force, the Network Code of the Transmission System of 31 March 2017 (Class: PL-17/1246, File No.: UP/TV-17-2), Amendments to the Transmission System Network Code of 28 December 2017 (Class: PL-17/4577; File No.: U/IP1-17-3), and Amendments to the Transmission System Network Code of 02 March 2018 (Class: PL-18/0696; File No.: U/IP1-17-18-4) shall be repealed.

Article 146

This Network Code shall enter into force on the eighth day following its publication in the Official Gazette.

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TRANSITIONAL AND FINAL PROVISIONS of Amendments to the Network Code of the Transmission System (OG 89/19)

Article 56

(1) As an exception to article 42 of these Amendments, until 1 October 2020 ~~1 April 2020~~, the Transmission System Operator shall provide the Natural Gas Producer or the Final Customer with access to the information by 8:30 AM of gas day D+1, and the Natural Gas Producer or the Final Customer shall deliver to a Transmission System Operator the information, on a daily basis, on business and non-business days by 9:00 AM.

(2) As an exception to Article 45 paragraph 1 of these Amendments, until 1 October 2020 ~~1 April 2020~~, the Transmission System Operator provides the Balance Responsible Party, the Gas Market Operator and the Agency with access to the daily report, until 10:00 AM of gas day D+1.

(3) As an exception to Article 50 of these Amendments, until 1 October 2020 ~~1 April 2020~~, the Transmission System Operator provides the Balance Responsible Party with access to the monthly report by 12:00 (noon) on the 11th day of the month, and the Gas Market Operator and the Agency by 4:00 PM on the 13th day of the month.

Article 57

(1) By the entry into force of Article 44 of these Amendments, Article 120 shall cease to apply.

(2) By the entry into force of Articles 125.b and 125.c added by Article 49 of these Amendments, Article 125 shall cease to apply.

Article 58

These Amendments shall enter into force on 1 October 2019, with the exception of Article 19, Article 22 paragraph 6, Article 41 and Article 55 of these Amendments, which shall enter into force on 1 October 2020 ~~1 April 2020~~, Article 120.b added by Article 44 of these Amendments, which shall enter into force on 2 October 2020 ~~2 April 2020~~ and Articles 125.b and 125.c added by Article 49 of these Amendments, which shall enter into force on 1 November 2020 ~~1 May 2020~~.

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TRANSITIONAL AND FINAL PROVISIONS of Amendments to the Network Code of the Transmission System (OG 36/20)

Article 11

These Amendments shall enter into force on the first day after the day of publication in the "Official Gazette", with the exception of Article 1, Article 2 paragraphs 2 to 4, and Articles 4 to 8, which shall enter into force on 1 October 2020.

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TRANSITIONAL AND FINAL PROVISIONS of Amendments to the Network Code of the Transmission System (OG 106/21)

Article 10

As an exception to Article 1 of these Amendments, for the gas days of September 2022, the transmission system operator publishes the data referred to in Article 42 of the Network Code expressed in mean net calorific value.

Article 11

These Amendments shall enter into force on 1 October 2022, with the exception of Article 7, which shall enter into force on 2 October 2022 and Article 8 which shall enter into force on 1 November 2022.

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TRANSITIONAL AND FINAL PROVISIONS of Amendments to the Network Code of the Transmission System (OG 58/22)

Article 10

As an exception, quarterly, monthly and daily capacity products for the remainder of the 2021/2022 gas year shall be contracted pursuant ot the Transmission System Network Code (OG 50/18, 31/19, 89/19, 36/20, 106/21).

Article 11

As an exception to Article 67.a paragraph (10), inserted by Article 3 of these Amendments, the Transmission System User having one or more concluded Gas Transmission Contracts on the day these Amendments enter into force, may. during the duration of these contracts, submit a request for the conclusion of a new Gas Transmission Contract pursuant to Article 67.a.

Article 12.

These Amendments shall enter into force on the eighth day following its publication in the Official Gazette.

APPENDIX I

GENERAL TERMS AND CONDITIONS OF USE OF THE GAS TRANSMISSION SERVICE (hereinafter: GTC)

Subject

Article 1

(1) The GTC regulate the mutual rights and obligations of the Transmission System Operator (hereinafter referred to as: Operator) and the Transmission System User (hereinafter referred to as: User) which are not regulated by the Gas Transmission Contract, or the Interconnection Gas Transmission Contract.

(2) The GTC are an integral part of the Gas Transmission Contract and the Interconnection Gas Transmission Contract concluded between the Operator and the User (hereinafter referred to as: the Contract).

(3) The User's obligations and liabilities from contracts the User concludes with other gas market participants, are the sole responsibility of the User and in no way affect the rights and obligations of the Operator under the Contract.

(4) Unless otherwise stipulated by the Contract or the GTC, provisions of the Transmission System Network Code (hereinafter referred to as: the Network Code) shall apply mutatis mutandis to mutual rights and obligations of the Operator and User.

Definitions

Article 2

Unless otherwise stipulated by the GTC, the terms and expressions used in the GTC have the meaning defined by the Network Code, EU regulations and acts regulating energy, regulation of energy activities and gas market, as well as provisions adopted based on these acts.

Rights and Obligations of the Transmission System Operator

Article 3

(1) The Operator is entitled to:

a) charge a fee for the transmission system use, for the gas transmission service which is the subject of the Contract;
b) restrict or terminate the provision of gas transmission service which is the subject of the Contract, under the conditions and in a manner stipulated by the GTC, the Network Code and the act regulating the gas market;
c) reject the capacity booking request, in accordance with the Network Code
d) reject a nomination, re-nomination and modification of an accepted nomination if it:
   - is larger than the contracted capacity,
   - does not comply with the temporary restrictions of contracted capacity stipulated by law or the Network Code, or
   - is not submitted within the prescribed time-limit;

e) refuse to consent to the transfer of contracted capacity or the transfer of the right to use contracted capacity when trading in contracted capacity on the secondary market, in accordance with the Network Code;
f) refuse to intake gas into the transmission system which does not satisfy the quality requirements, pressure requirements and/or other conditions determined by the General Terms of Gas Supply and the Network Code.

(2) In addition to the rights referred to in paragraph 1 hereof, the Operator that concluded a gas transmission contract with the User, is entitled to:

a) charge a fee for exceeding the contracted capacity,
b) charge a fee for deviation from the announced calorific value of gas, and
c) charge a fee for deviation from standard gas quality.

(3) The Operator shall:

a) make available the contracted capacity to the User, in accordance with the capacity allocation notice;
b) intake gas quantities from the User into the transmission system at the entry into the transmission system at which the transmission system capacity was allocated to the User, provided that:

- the gas meets the natural gas quality conditions stipulated by the General Terms of gas supply and the Network Code,

- the gas quantities comply with the announced use of the transmission system,

- the pressure conditions comply with the pressure conditions stipulated in the energy consent,

c) keep record of the gas quantities in taken from the User at the entry into the transmission system, and notify the User thereof in accordance with the Network Code,
d) offtake gas quantities input by the User into the transmission system, based on confirmed nominations, at the exit from the transmission system at which the transmission system capacity was allocated to the User,
e) keep record of the gas quantities off taken for the User at the exit from the transmission system, and notify the User thereof in accordance with the Network Code.

(4) The Operator has other rights and obligations stipulated by EU regulations, acts regulating energy, regulation of energy activities and gas market, and the provisions adopted on the basis of these acts.

Rights and Obligations of the Transmission System User

Article 4

(1) The User is entitled to:

a) access the transmission system in accordance with the Contract, the GTC, the Network Code, the act regulating the gas market and the EU regulations;
b) use the contracted capacity in accordance with the Contract, the GTC, the Network Code and the EU regulations;
c) input gas into the transmission system and/or take over gas from the transmission system in accordance with the nomination;

d) trade in contracted capacity and/or the right to use contracted capacity on the secondary market in accordance with the provisions of the Network Code and the EU regulations.

(2) The User shall:

a) deliver the contracted payment security instrument and other documents to the Operator, in accordance with the Contract, the GTC and the Network Code;
b) settle in full, upon maturity, invoices issued by the Operator as a fee for the use of the transmission system, as well as other payment obligations arising from the Contract and the GTC;
c) ensure that the gas he is inputting into the transmission system meets the gas quality requirements determined by the General Terms of Gas Supply and the Network Code;
d) input into the transmission system gas quantities which are in accordance with the nomination;
e) notify the Operator of any change of circumstances which preceded the conclusion of the Contract or which are essential for the implementation of the Contract;
f) restrict or suspend input of gas into the transmission system if the Operator notifies him of the restriction or termination of the provision of gas transmission service based on the Contract, the GTC, the Network Code or other compulsory regulations,
g) on the request of the Operator, provide information the Operator needs in order to meet its obligations under the Contract, the GTC, the Network Code, acts and other by-laws;
h) comply with the instructions of the Operator's dispatching centre;
i) ensure the technical conditions for communication with the Operator.

(3) In addition to the obligations referred to in paragraph 2 hereof, the User that concluded a gas transmission contract with the Operator shall:

a) ensure that the gas being inputted into the transmission system complies with the pressure conditions determined by the Network Code and the energy consent for connecting to the transmission system;
b) take over from the transmission system, gas quantities he input or that were inputted for him into the transmission system in accordance with the nomination.

(4) The User has other rights and obligations stipulated by EU regulations, acts regulating energy, regulation of energy activities and gas market and the provisions adopted on the basis of these acts.

Fee for the Use of the Transmission System

Article 5

(1) The User shall pay a fee for the use of the transmission system to the Operator.

(2) The User shall pay the fee referred to in paragraph 1 hereof, regardless of whether it actually used the gas transmission service in the amount corresponding to the contracted capacity, part of the contracted capacity or if he did not use the gas transmission service at all.

(3) The fee referred to in paragraph 1 hereof is calculated according to the Methodology for Determining the Amount of Tariff Items for Gas Transmission and the Decision on the Amount of Tariff Items for Gas Transmission in force at the time the transmission service was provided.

(4) The Operator delivers the calculation and the invoice referred to in this Article to the User no later than the 15th day of the current month, for the previous month.

(5) The User shall pay the invoice referred to in this Article within 20 days from the last day of the calculation period the invoice was issued for, by payment into the Operator's business account.

(6) If the last day of the deadline referred to in paragraph 5 hereof is a non-business day, the following business day is considered the last day of the deadline.

(7) The payment obligation is considered to be executed on the day the money has been credited on the Operator's business account.

(8) For each day of delay in payment of the fee referred to in paragraph 1 hereof, the User shall pay, aside from the owed principle, the statutory penalty interest valid in the relevant period. The penalty interest begins to accrue on the first day after the invoice became due. The interest payment deadline is 8 days from the receipt of the calculation or by the date stated on the calculation at the latest.

Exceeding the Contracted Capacity from the Gas Transmission Contract

Article 6

(1) The User is entitled to use the transmission system capacity it contracted.

(2) If the User exceeds the contracted capacity, it shall pay a fee for exceeding the contracted capacity.

(3) Provisions of article 5 of the GTC apply mutatis mutandis to the calculation and payment of fees referred to in paragraph 2 hereof.

(4) If the exceedance referred to in paragraph 1 hereof would result in exceeding the transmission system technical capacity at an individual entry into the transmission system and/or exit from the transmission system, the Operator is entitled to restrict or suspend the gas transmission service.

(5) In case of exceedance referred to in paragraph 4 hereof, the User shall be liable to the Operator for any damage occurred as a consequence of exceeding the technical capacity. If the exceedance of the technical capacity was caused by two or more Users together, each User shall be liable in proportionate share of its nomination in the sum of all nominations at an individual entry into the transmission system and/or exit from the transmission system.

Payment Security Instrument

Article 7[13]

(1) The User shall deliver a payment security instrument to the Operator in accordance with the GTC, for the purpose of ensuring that the User will fulfil its obligations towards the Operator, arising out of and in connection with the Contract.

[13] *Article 7 of Appendix I partly amended by Article 53 of Amendments to the Transmission System Network Code (OG 89/19), entering into force on 1.10.2019.*

(2) The payment security instrument referred to in paragraph 1 hereof constitutes an integral part of the Contract.

(3) Unless otherwise stipulated in the GTC, the payment security instrument referred to in paragraph 1 hereof can be delivered:

a) in the form of a bank guarantee – unconditional, irrevocable, without cavil and payable upon first call or
b) by a cash deposit into a separate transaction account of the Operator (deposit account).

(4) The bank guarantee must be issued by a first-class bank, acceptable to the Operator, containing the following as a minimum:

a) guarantee number,
b) guarantee validity deadline, including the encashment deadline,
c) the amount up to which the guarantor guarantees,
d) the object of insurance, indicating the number of each ~~the~~ Contract the relevant bank guarantee refers to
e) guarantee clause "upon first call" or "without cavil",
f) guarantor information (company, registration number, tax number, headquarters),
g) date and place where the guarantee was issued and
h) signature of the authorized person.

(5) The bank guarantee must be issued in writing in Croatian language and in Latin alphabet. If the User delivers a bank guarantee in a foreign language, it shall deliver a certified translation in Croatian language, along with the original of the bank guarantee.

(6) The bank guarantee must be valid for the entire period the standard capacity product has been contracted for and at least for 60 days after the end of this period.

(7) If the User contracted two or more yearly standard capacity products, for the period of two or more gas years, it shall deliver a payment security instrument for the first yearly standard capacity product, in the amount and within the time limit stipulated by Articles 8 and~~or~~ 9 of these GT. ~~The User shall renew the payment security instrument no later than 15 business days before the start of each following gas year, by delivering a new bank guarantee for the contracted yearly standard capacity product for the next gas year or by depositing cash in the appropriate amount into the Operator's deposit account.~~

For other contracted yearly standard capacity products, before the start of each following gas year, the User shall renew and/or supplement the payment security instrument in accordance with the time limits and amounts stipulated in Articles 8 and 9 of these GT

(8) The bank guarantee delivered as a payment security instrument is renewed:

a) by delivering a new bank guarantee, or

b) by extending the validity of the existing bank guarantee and, where appropriate, by supplementing the amount pursuant to the amounts stipulated in Articles 8 and 9 of these GT.

(9~~8~~) If the User fails to renew or supplement the payment security instrument pursuant to paragraphs 7 and 8 hereof, the Operator is entitled to collect the existing bank guarantee and deposit the funds to a separate account. The interest on the funds deposited on a separate account are not paid to the User, but are credited to the amount of the total deposit. The

Operator is entitled to use the deposited funds as a payment security instrument for collection of all claims arising from the gas transmission contract.

(109) If the User, for the purpose of ensuring the fulfilment of obligations, deposits a cash deposit serving as a payment security instrument, the Operator will, in its own name and for its account, open a separate deposit account for each User. The interest on the funds deposited into the deposit account belong to the User, reduced by the deposit account keeping fees and costs. The deposit account opening and keeping costs are charged to the User as a monthly fee.

(1110) The User is considered to have delivered the payment security instrument when the Operator receives the original of the bank guarantee at the head office address, i.e. when the funds are recorded on the deposit account and are made available to the Operator.

(1211) If the User fails to fulfil or is late in fulfilling some of its obligations under the Contract, the Operator is entitled to use any payment security instrument delivered by the User, to settle any claims based on and in connection with the Contract.

(1312) If the Operator used the received payment security instrument for the purpose of collection of claims arising out of and in connection with the Contract, the User shall deliver a new payment security instrument within five business days from the use of a particular payment security instrument.

(1413) Paragraph 1213 hereof shall apply mutatis mutandis to obligations of the User that occur after the expiry or termination of the Contract as a result of the User's failure to fulfil the obligations under the Contract.

(1514) The Operator shall return the payment security instrument to the User on its request, if the User has duly fulfilled all its obligations arising out of and in connection with the Contract.

(1615) If the User fails to ~~either~~ submit, or supplement, or renew the payment security instrument pursuant to the GTC, the Operator is entitled to restrict, i.e. suspend the gas transmission service and terminate the Contract in accordance with the GTC. This does not prejudice other rights of the Operator under the Contract, the GTC or the Network Code.

Payment Security Instrument under the Gas Transmission Contract

Article 8

(1) The User shall deliver a payment security instrument based on the Gas Transmission Contract to the Operator in accordance with Article 7 of the GTC, at least in the following amount, increased by VAT (depending on the User's solvency):

a) for a yearly standard capacity product – in the amount of 10% or 30% of the total annual fee for the contracted yearly standard capacity product,
b) for a quarterly standard capacity product – in the amount of 10% or 30% of the fee for each contracted quarterly standard capacity product, i.e. in the amount of 10% or 30% of the total fee for all contracted quarterly standard capacity products, if the User contracted four such products for the period of four quarters and
c) for a monthly standard capacity product – in the amount of the total monthly fee for each contracted monthly standard capacity product.

(2) The User shall deliver the payment security instrument pursuant to this Article, without delay upon the receipt of the capacity allocation notice, and at the latest by the beginning of the contractual period.

(3) Upon the receipt of the payment security instrument, the Operator shall issue a Confirmation the the Payment Security Instrument to the User, indicating the form and amount of the payment security instrument, and forming Appendix 2 to the Gas Transmission Contract.

(~~3~~4) As an exception to paragraph 1 hereof, the User is not required to deliver the payment security instrument, if the amount of the payment security instrument for an individual yearly, quarterly, monthly or daily product is less than HRK 1,000.00.

(~~4~~5) In the event referred to in paragraph ~~3~~4 hereof, the Operator reserves the right to request the User, at any time, to deliver the payment security instrument pursuant to this Article.

(~~5~~6) As an exception to paragraph 1 points (a) and (b) hereof, the User concluding a gas transmission contract with the Operator for the first time, shall deliver a payment security instrument at least in the following amount, increased by VAT:

a) for a yearly standard capacity product – in the amount of 50% of the total annual fee for the contracted yearly standard capacity product and
b) for a quarterly standard capacity product – in the amount of 50% of the fee for each contracted quarterly standard capacity product, i.e. in the amount of 50% of the total fee for all contracted quarterly standard capacity products, if the User contracted four such products for the period of four quarters.

(~~6~~7) As an exception to Article 7 and paragraph 1 hereof, if the User has been fulfilling its obligations under the gas transmission contract duly and in time for the last 12 months, it may, with a prior consent of the Operator, deliver the payment security instrument in the form of an ordinary promissory note certified by a public notary:

a) for a yearly standard capacity product – to the amount of 50% of the total annual fee for the contracted yearly standard capacity product,
b) for a quarterly standard capacity product – to the amount of 50% of the fee for each contracted quarterly standard capacity product, i.e. to the amount of 50% of the total fee for all contracted quarterly standard capacity products, if the User contracted four such products for the period of four quarters and
c) for a monthly standard capacity product – to the amount of the total monthly fee for each contracted monthly standard capacity product.

(~~7~~8) If the User wishes to contract a daily standard capacity product, and has not contracted a yearly, quarterly or monthly standard capacity product, it shall deliver the payment security instrument to the Operator three business days before submitting the capacity booking request at the latest, in the form of a cash deposit in the amount of the total monthly fee for the daily standard capacity product it intends to contract.

Payment Security Instrument under the Interconnection Gas Transmission Contract

Article 9

(1) The User wishing to participate in the auction of ~~contract a~~ yearly or quarterly standard capacity products ~~at an auction~~, shall deliver an auction guarantee in the form of a bank

guarantee or a cash deposit to the Operator, in the amount of 10% of the total ~~annual~~ fee, excluding the VAT, for all yearly or quarterly capacity products respectively, it intends to contract at the ~~same~~ relevant auction, 3~~5~~ business days before the start of the auction ~~at which it intends to participate~~ at the latest.

(2) The User wishing to participate in the auction of quarterly standard capacity products, and having previously delivered to the Operator the payment security instrument for previously contracted standard capacity products, may use the previously delivered payment security instrument instead of an auction guarantee, if the available amount of the previously delivered payment security instrument corresponds to the required amount of the auction guarantee.

If the User delivered a payment security instrument in the form of a bank guarantee, the following conditions shall be fulfilled:

a) quarterly standard capacity products intended to be contracted shall refer to the same interconnection gas transmission contract, based on which the bank guarantee was delivered and

b) validity period of the previously delivered bank guarantee shall correspond to the validity period of the auction guarantee stipulated in paragraph 3 hereof.

For the purpose of fulfilling the conditions referred to in this paragraph, the User may supplement the amount and/or extend the validity period of the delivered payment security instrument.

(3) If the User delivered an auction guarantee in the form of a bank guarantee, this bank guarantee shall be valid until the start of the gas year the first annual standard capacity product which it intends to contract in the auction refers to, or until the start of the quarterly period the first quarterly standard capacity product it intends to contract refers to. The provisions of article 7 paragraphs 4 and 5 apply *mutatis mutandis* to the bank guarantee delivered as an auction guarantee.

(4~~2~~) The Operator shall return the auction guarantee to the User, after the User delivers the payment security instrument for the first contracted yearly standard capacity product, that is, first contracted quarterly capacity product, all pursuant to paragraphs ~~5 and 6~~ 7, 8 and 9 hereof.

~~(3) If the User delivered an auction guarantee in the form of a cash deposit, it may supplement it to the value of the required payment security instrument in accordance with paragraph 6 hereof. The User shall inform the Operator timely and in writing on its intention to supplement and change the purpose of the cash deposit.~~

~~(4) The User shall supplement the cash deposit pursuant to paragraph 3 hereof by the deadline for the submission of the payment security instrument stipulated in paragraph 5 hereof, at the latest, otherwise it will be considered that it has not delivered the payment security instrument.~~

(5) If the User submitted an auction guarantee in the form of a cash deposit, it may convert it into a payment security instrument by an additional payment to the value required for the payment security instrument, pursuant to the time limits and amounts stipulated in paragraphs 8 and 9 hereof.

If the User fails to supplement the cash deposit pursuant to the time limits and amounts stipulated in paragraphs 8 and 9 hereof, it shall be deemed it has not delivered the payment security instrument.

(6) Instead of submitting a new payment security instrument, the User that has duly and timely fulfilled its obligations under the Interconnection Gas Transmission Contract during the last 12 months, may renew an already delivered payment security instrument in accordance with the time limits and amounts stipulated in paragraphs 8 and 9 hereof.

(7) In case of conversion or renewal of a payment security instrument, the User shall deliver a signed and certified written request, forming the Appendix 3 to the Interconnection Gas Transmission Contract, to the Operator. The Transmission System Operator shall publish a form of the request on the website.

(8~~5~~) The User shall deliver the payment security instrument to the Operator within the following time limits:

a) for a yearly standard capacity product – ~~15~~ three business days before the start of the gas year the contracted product refers to at the latest,
b) for a quarterly standard capacity product – ~~5~~ three business days before the start of the ~~auction~~ quarterly period that the contracted product refers to, at the latest,
c) for a monthly standard capacity product – 1 business day before the start of the auction at the latest,
d) for a daily standard capacity product – 1 business day before the start of the auction at the latest and
e) for a within-day standard capacity product – 1 business day before the start of the auction at the latest.

(9~~6~~) The User shall deliver the payment security instrument to the Operator at least in the following amount increased by VAT:

a) for a yearly standard capacity product – in the amount of three monthly fees for the yearly capacity product it contracted,
b) for a quarterly standard capacity product – in the amount of two monthly fees for ~~each~~ quarterly standard capacity product it ~~intends to contract~~ contracted,
c) for a monthly standard capacity product – in the amount of a monthly fee for the standard capacity product it intends to contract,
d) for a daily standard capacity product – in the amount of a monthly fee for the daily standard capacity product it intends to contract,
e) for a within-day standard capacity product – in the amount of a monthly fee for the within-day standard capacity product it intends to contract.

(10~~7~~) As an exception to paragraph 9 ~~6~~ hereof, a non-resident User is not required to increase the amount of the payment security instrument by VAT.

(11~~8~~) If the User delivers the payment security instrument to the Operator in the amount exceeding the amount stipulated by this Article, the Operator shall return the difference on the User's request:

a) by depositing the difference into the User's business account, if the payment security instrument was delivered in a form of a cash deposit, and/or
b) by returning the delivered bank guarantee, provided that the User has delivered a new bank guarantee or has deposited funds into the deposit account, at least in the amount stipulated in paragraph 9 ~~6~~ hereof.

~~(9) Together with the auction guarantee, i.e. the payment security instrument, the User shall deliver a written notice on the form of the auction guarantee, i.e. the payment security~~

~~instrument it submits and on the allocation of the auction guarantee amount, i.e. the payment security instrument amount per individual auction platform.~~

(12) When delivering the auction guarantee, or the payment security instrument, the User shall deliver a signed and certified Statement on an auction guarantee / payment security instrument at an interconnection (Statement INT), constituting Appendix 2 to the Interconnection Gas Transmission Contract.

In the INT statement ,the User shall indicate the form of the auction guarantee, or the payment security instrument being submitted and shall instruct the Operator on the allocation of the amount of the delivered auction guarantee, or payment security instrument per an individual auction platform.

The Transmission System Operator shall publish the form of the Statement INT on the website.

(13~~10~~) The User is entitled to change the allocation of the amount referred to in paragraph 12~~9~~ hereof, provided that it notifies the Operator, in writing, on the new allocation at least three hours before the auction it intends to participate at.

(14) Based on the delivered Appendices referred to in paragraphs 7 and 12 hereof and the delivered auction guarantee, or payment security instrument, the credit limit of the User is determined on each auction platform.

~~(11) Based on the actual available and undisputed amount of the auction guarantee, i.e. the payment security instrument delivered by the User pursuant to this Article and based on the notice on allocation of funds, the Operator determines the credit limit of the User for each auction platform, before the start of the auction.~~

(15~~12~~) The User may participate in auctions up to the amount of the credit limit referred to in paragraph 14~~11~~ hereof.

(16~~13~~) ~~If~~ To the User contracted a certain standard capacity product in the auction, the available amount of the auction guarantee~~, i.e.~~ or the payment security instrument is reduced accordingly, pursuant to ~~the rule stipulated in paragraph 6~~ paragraph 9 hereof, and thus also the credit limit. ~~.According to the reduction of the available payment security instrument, the credit limit is reduced as well with~~.

The User may participate in the next auction with such reduced credit limit.

(17) The User may increase the credit limit on an individual auction platform by delivering a new auction guarantee, or a payment security instrument or by supplementing the existing one in accordance with the time limits and amounts stipulated in paragraphs 8 and 9 hereof.

~~(14) If the User wishes to contract, in the auction, a standard capacity product of value higher than the currently available amount of the auction guarantee or the payment security instrument, i.e. the credit limit, it shall deliver an additional auction guarantee or payment security instrument to the Operator, covering the difference pursuant to the rule stipulated in paragraph 6 hereof, within the time limits stipulated in paragraph 5 hereof.~~

~~(15) If at any time during the term of the interconnection gas transmission contract, the undisputed and actually available amount of the payment security instrument is no longer sufficient for payment of all standard capacity products contracted based on the relevant contract, the User shall supplement the relevant amount by submitting an additional payment~~

~~security instrument covering the difference pursuant to the rule stipulated in paragraph 6 hereof.~~

Liquidated Damages

Article 10

(1) The User shall pay liquidated damages to the Operator if the User is late in fulfilling or fails to fulfil the following obligations:

a) if the User does not deliver the payment security instrument in a manner and under the conditions pursuant to the Contract and the GTC, or
b) if the User does not renew the payment security instrument in a manner and under the conditions pursuant to the Contract and the GTC.

(2) The liquidated damages referred to in paragraph 1 hereof amount to 1 % of the value of the total fee for the use of the transmission system capacity contracted per individual product the obligation to deliver the payment security instrument referred to.

The total amount of the fee for the use of contracted capacity, based on which the liquidated damages from the gas transmission contract are calculated, does not include the fee for the delivered gas quantity at the exits from the transmission system.

(3) The Operator shall notify the User on the amount of liquidated damages referred to in paragraph 1 hereof, in writing, by registered mail with return receipt or delivered in any other manner enabling the Operator to ascertain the date of the receipt of the notice by the User.

(4) The obligation to pay liquidated damages referred to in this Article is due within 15 days from the receipt of the notice referred to in paragraph 3 hereof.

(5) The Operator and the User agree that the amount of liquidated damages referred to in this Article corresponds to the value of the protected asset.

(6) The Operator is entitled to charge liquidated damages even after the Operator receives the fulfilment of the obligation, provided that it notifies the User without delay, on reserving the right to liquidated damages.

(7) In the events referred to in paragraph 1 hereof, the Operator is entitled to request liquidated damages from the User even when the amount of liquidated damages exceeds the amount of damage the Operator suffered due to the non-fulfilment or late fulfilment of obligations referred to in paragraph 1 hereof, and even if the Operator suffered no damage.

(8) If the damage suffered by the Operator due to non-fulfilment or late fulfilment of obligations referred to in paragraph 1 hereof exceeds the amount of liquidated damages, the Operator is entitled to request the difference until full compensation from the User.

Restriction or Termination of Gas Transmission Service

Article 11

(1) If the User fails to fulfil or is late with fulfilling any of the obligations under the Contract or the GTC, the Operator is entitled to restrict or terminate the provision of gas transmission service, starting 30 days from the day the obligation of the User became due, at the earliest, unless otherwise provided by the Contract or the GTC.

(2) If the total due debt of the User corresponds to the amount of at least two monthly fees for the use of the transmission system, the Operator is entitled to restrict or terminate the provision of gas transmission service, starting at the earliest five days from the day of maturity of the monthly fee due later.

(3) In the event of violation of obligations stipulated in Articles 7, 8 and 9 of the GTC, the Operator is entitled to restrict or terminate the provision of gas transmission service, starting at the earliest five business days after the expiry of the payment security instrument delivery deadlines.

(4) The termination or restriction of the provision of gas transmission service may last until the User fully meets the obligation, violation of which caused the restriction or termination of the provision of the gas transmission service.

(5) In the case of restriction or termination of the gas transmission service pursuant to this Article, the Operator shall notify the User beforehand of the intended restriction or termination, 24 hours before the restriction or termination, at the latest.

(6) If the Operator restricts or terminates the provision of gas transmission service pursuant to this Article, the User shall pay the entire amount of the fee for the use of the transmission system for the period during which the Operator terminated or restricted the provision of gas transmission service, equal to the amount it would have had to pay if the gas transmission service had been provided as contracted. This does not prejudice other rights of the Operator under the Contract, the GTC or the Network Code.

(7) The User is exempted from the obligation to pay the fee referred to in paragraph 6 hereof, if the non-fulfilment or unduly fulfilment of the obligation, due to which the gas transmission service was restricted or terminated, was caused by force majeure.

(8) The User agrees da that the reasons stipulated in this Article constitute legitimate reasons for restriction or termination of the provision of gas transmission service.

(9) The Operator shall not be liable for any damage that may occur to the User or a third party due to the restriction or termination of the provision of the gas transmission service under this Article.

(10) The User assumes full responsibility for damages that may occur to a third party due to the restriction or termination of the provision of the gas transmission service under this Article.

(11) The Operator is entitled to restrict or terminate the provision of the gas transmission service in other cases prescribed by the Network Code, EU regulations, acts regulating energy, regulation of energy activities and gas market and the provisions adopted on the basis of these acts, in the manner and under conditions determined in these provisions.

Liability

Article 12

(1) The Operator shall be liable for damage which occurs as a result of intent or gross negligence.

(2) The Operator shall be liable, in accordance with paragraph 1 hereof, for actual damage only, in the amount which cannot exceed 10% of the value of the contracted capacity. The Operator shall neither be liable for lost profit (lucrum cessans) nor non-material damage.

(3) The Operator shall not be liable either for damage which occurred as a result of malfunctions on auction platforms, the trade platform of the Gas Market Operator or on the information system for control of transmission system capacities, or for damage which occurred as a result of third party activities or events out of control of the Operator, including force majeure.

Force Majeure

Article 13

(1) The contracting parties shall not be liable for non-fulfilment or late fulfilment of their obligations, if non-fulfilment, or late fulfilment is the result of force majeure, in terms of the Energy Act provisions, provided that force majeure concerns the functioning of the transmission system and/or availability of the transmission system capacity.

Force majeure which concerns gas in any way (including for example the quality, availability or shortage of gas) does not release either the Operator or the User from obligations accepted under the Contract.

(2) In the event of force majeure, the affected contracting party shall notify the other contracting party without delay on the occurrence of circumstances it considers as force majeure and on the steps it is undertaking in order to mitigate or eliminate the consequences of force majeure.

(3) If, due to force majeure, the delay in fulfilling, or the inability to fulfil contractual obligations of one party lasts longer than 30 consecutive days, the contracting parties shall start negotiations as soon as possible, in order to find a solution acceptable to both contracting parties.

If parties fail to reach an agreement within a period of 15 days, each party is entitled to unilaterally terminate the Contract within an additional period of 15 days, in the manner stipulated by Article 14 of the GTC and without providing additional period for fulfilment.

Assignment of Contract

Article 14

(1) Neither the User nor the Operator can partially or wholly assign the Contract without a prior written consent of the other contracting party.

(2) The User that assigned the Contract to another transmission system user shall warrant to the Operator that the User assignee of the Contract shall fulfil all obligations arising from the Contract.

(3) The User that assigned the Contract and the User assignee of the Contract are jointly and severally liable to the Operator for obligations under the Contract.

(4) The User that assigned the Contract shall pay to the Operator all claims for the fee for the use of the transmission system, the fee for exceeding of capacity, and any other claims occurred by the time the contract was assigned.

(5) The User assignee of the Contract shall deliver a payment security instrument to the Operator pursuant to Articles 7 and 8 of the GTC.

(6) Assignment of particular contractual rights on the secondary market is carried out in accordance with the Network Code and EU regulations.

Termination of the Contract

Article 15

(1) The contracting parties are entitled to terminate the Contract by mutual agreement at any time. The termination shall be in writing.

(2) Each contracting party is entitled to terminate the Contract unilaterally, by a written termination notice delivered to the other contracting party by registered mail with return receipt, in the event that the other contracting party does not, in any aspect, fulfil any of its obligations under the Contract or the GTC.

(3) Unless otherwise stipulated by the Contract or the GTC, the contracting party terminating the Contract shall, in the termination notice, provide the other contracting party with a subsequent deadline for fulfilment, not shorter than 15 days from the day the termination notice was received.

(4) If the other contracting party does not remedy the omission within the subsequent deadline for fulfilment, the contract is considered to have been terminated by virtue of law on the first day after the expiry of the subsequent deadline for fulfilment.

(5) The User is entitled to terminate the Contract unilaterally, without providing reasons, by a written termination notice delivered to the Operator by registered mail with return receipt or in any other manner enabling the ascertainment of the notice receipt date, with a cancellation period of 60 days from the day the Operator received the termination notice.

(6) In the event referred to in paragraph 5 hereof, the Users shall indemnify the Operator in the amount corresponding to the value of the total fee for the use of the transmission system for the contracted capacity relating the period from the termination of the Contract to the expiry of the contractual period.

The indemnity payment obligation is due within 15 days from the day when the User received a written notice of the Operator on the indemnity amount.

(7) As an exception to paragraph 6 hereof, if at the time of termination the User has no contracted capacity for the period from the termination of the Contract until the expiry of the contractual period, it is not required to indemnify the Operator.

(8) If the User terminates the Contract pursuant to paragraph 5 hereof, the Operator is entitled to sell on the primary market, the capacity from the terminated contract relating the period from the termination of the Contract to the expiry of the contractual period.

(9) The Operator is entitled to unilaterally terminate the Contract in the following cases as well:

a) if the User has not paid the due monthly fees for the use of the transmission system or any other due amount under the Contract, in the amount of two monthly fees, and the omission is not remedied within the subsequent 15-day deadline from the receipt of a written reminder of non-payment and the Operator´s intent to terminate the Contract for that reason;
b) if the User fails to deliver the contracted payment security instrument in a manner and pursuant to the conditions stipulated in the Contract and the GTC, and the omission is not remedied within the subsequent five business days deadline after the receipt of the written termination notice;
c) if the User does not renew the contracted payment security instrument in the manner and pursuant to the conditions stipulated in the Contract and the GTC, and the omission is not remedied within the subsequent five business days deadline after the receipt of the written termination notice;
d) if the User does not supplement the insufficient payment security instrument in the manner and pursuant to the conditions stipulated in the Contract and the GTC, and the omission is not remedied within the subsequent five business days deadline after the receipt of the written termination notice.

(11) Exceptionally, the Operator is entitled to unilaterally terminate the Contract without providing a subsequent deadline for fulfilment, in the following cases:

a) if the User provided incorrect or false statements or warrantees in the Contract;
b) if members or shareholders of the User adopt a decision to terminate the company of the User;
c) if a proposal was submitted for the initiation of pre-bankruptcy or bankruptcy settlement against the User;
d) if a competent court has adopted a final decision on the initiation of pre-bankruptcy or bankruptcy or preliminary bankruptcy proceedings against the User;
e) the User ceases to pay all or some of its obligations, or announces its intention to do so;
f) if the User terminates his activities and this circumstance lasts for five consecutive days or a total of 20 days in any calendar year.

(12) In the event of termination of the Contract and without prejudice to other rights the Operator has under law, the Network Code and the GTC, the User shall pay the fee to the Operator, for the use of the transmission system in relation to the gas transmission service provided until the moment the Contract was terminated.

(13) In addition to obligation referred to in paragraph 12 hereof, the User that concluded a gas transmission contract with the Operator shall also pay a fee to the Operator, for potential exceeding of the contracted capacity in relation to the transmission system service provided until the moment the Contract was terminated.

Delivery of Notices

Article 16

(1) Unless otherwise provided by the Contract or the GTC, the delivery of all notices and other communication between the Operator and the User will be carried out primarily via e-mail and in other cases in writing by registered mail with return receipt, by a courier service or hand-

delivery and by telefax. The delivery is made to the addresses, telephone and telefax numbers specified in the Contract, or if such information is not, for any reason, stated in the Contract, then on those specified in the capacity booking request.

(2) Unless otherwise provided by the GTC, the delivery is considered to be duly executed:

a) if the delivery is carried out via e-mail: on the day when the sender receives, on its e-mail address, a confirmation of successful delivery of the e-mail to the recipient. If such delivery confirmation occurs after 4:00 PM of any day, the notice will be considered received at 8:00 AM of the business day following the day the confirmation was received;
b) in the event of on-hand delivery: on the day specified in the notice or other communication, along with the signature of the addressee from the Contract confirming the receipt (delivery) of the letter;
c) if the delivery is carried out by mail or courier service: on the expiry of two business days from the day of delivery of the letter to the post office or courier service;
d) if the delivery is carried out by telefax: on the day listed on the telefax confirmation when the letter was successfully sent to the telefax number specified in the Contract or the capacity booking request. If such delivery confirmation occurs after 4:00 PM of any day the notice will be considered received at 8:00 AM of the business day following the day the confirmation was received.

(3) Each contracting party is entitled to change the information (addresses, telephone and telefax numbers) for the delivery of notices and other communications specified in the Contract or the capacity booking request, and such change will be binding, provided that it was previously notified to the other contracting party in writing by registered mail with return receipt.

Guarantees

Article 17

The User declares and guarantees that:

a) he possesses all authorisations, approvals and necessary permits required to perform, during the term of the Contract, the energy activity on the basis of which he is entitled to access the transmission system;
b) that the signatory of the Contract and all other persons who, on behalf of the User, assume commitments, issue orders, submit requests and give statements in relation to the execution of rights and obligations under the Contract and the GTC, are entitled to undertake such actions and that their actions are binding for the User;
c) that it accepts as binding the notices on the allocation of capacity and the amount of fees for the contracted product;
d) that the payment security instrument delivered to the Operator, are valid and there are no third party rights, which would in any way exclude, diminish or restrict the rights of the Operator.

Confidentiality

Article 18.

(1) The contracting parties mutually agree that the information from the Contract and in relation with the Contract are considered a trade secret and as such will neither be revealed nor made available to third parties without prior written consent of the other party, nor used for purposes which exceed the Contract execution framework.

(2) The contracting party that made available the information referred to in paragraph 1 hereof without authorisation, is responsible to the other contracting party for damage suffered thereby.

(3) As an exception to paragraph 1 hereof, prior written consent of the other contracting party shall not be necessary if the contracting party is revealing information referred to in paragraph 1 hereof:

a) to an associated company in terms of the act governing companies, provided that it is ensured that the confidential information is kept secret, or
b) to a state administration body, local or regional government body, regulatory body or other legal entity with public authorities, legally entitled to request such data;
c) to the extent required pursuant to acts and by-laws in force, on the request of the court or other body in an administrative, court or similar proceedings, or
d) to an associated Operator, provided that it uses reasonable efforts in order to ensure the information is kept secret.

(4) The information confidentiality obligation referred to in paragraph 1 hereof does not refer to:

a) information already published or otherwise made available to the public, at the time of disclosure to a contracting party,
b) information published or otherwise made available to the public after it was disclosed to the receiving party, but not by the act or omission of the latter.

(5) The information confidentiality obligation referred to in paragraph 1 hereof shall continue to apply after the expiry or termination of the Contract.

Severability Clause

Article 19

(1) In case that a particular provision of the Contract or the GTC is declared null and void or revoked, this shall not affect the validity of the Contract, which remains in force.

(2) The contracting parties agree that in the event referred to in paragraph 1 hereof, they will enter negotiations in good faith in order to replace the invalid provision of the Contract or the GTC, to the extent possible, with a new provision that is valid and enforceable and reflects the actual intentions of the parties.

Language of the Contract and Applicable Law

Article 20

(1) The Contract and the GTC are worded in Croatian language.

(2) If the Contract is concluded in Croatian and English language, and if there are discrepancies between the Croatian and English version, the version in the Croatian language shall prevail.

(3) The Operator publishes on its web page the unofficial translation of the GTC in English for information purpose only. If there are discrepancies between the Croatian and English version of the GTC, the version in the Croatian language is relevant.

(4) The Croatian law shall be applicable the Contract and this GTC.

Settlement of Disputes

Article 21

(1) The contracting parties agree to use their best endeavours to settle all potential disputes arising from or related to the Contract amicably, including the disputes related to its interpretation, breach, validity or termination.

(2) Should the parties fail to settle the dispute amicably, the competent court for settlement of all disputes between the Operator and the User shall be the court in Zagreb having in rem jurisdiction.

Changed Circumstances

Article 22

(1) The User understands that the regulations regarding the energy activity of gas transmission are evolving, and it accepts that if during the term of the Contract there are changes to the valid legal regulations and by-laws, such change has to be applied to all Contracts in force at the moment of entry into force of the relevant change and will have precedence in application over the GTC.

(2) If due to the change referred to in paragraph 1 hereof, the GTC need to be amended, the Operator is entitled to amend the GTC pursuant to the procedure stipulated by the act regulating the gas market.

Final Provisions

Article 23

(1) The GTC shall apply to Contracts concluded before the GTC entered into force.

(2) The Operator is entitled to amend the GTC as an integral part of the Network Code, pursuant to the procedure stipulated by the act regulating the gas market.

APPENDIX II [14]

THE METHODOLOGY FOR GAS OFF-TAKE FORECASTING AND ALLOCATION OF GAS ENERGY AT THE TRANSMISSION SYSTEM EXITS WHICH ARE ENTRIES INTO A DISTRIBUTION SYSTEM (hereinafter referred to as: Methodology)

Article 1

(1) This Methodology determines the method of forecasting gas off-take and the manner of allocation of gas energy at transmission system exits which are also entries into distribution systems or closed distribution systems.

(2) In case when the transmission system and a hydraulic unit of an individual distribution system are mutually connected through a joint exit within the meaning of this Network Code, the gas off-take forecasting and the allocation of gas energy are carried out for that joint exit.

(3) This Methodology shall not apply to a distribution system or a particula hydraulic unit o fan individual distribution system, off-taking gas exclusively from the production gas pipeline network.

Article 2

The provisions of this Methodology are applied by the Forecasting Party, the Gas Market Operator, the Transmission System Operator, the Distribution System Operator and the Closed Distribution System Organizer.

1. Forecasting of natural gas off-take

Article 3

(1) The Forecasting Party forecasts gas off-take in two stages.

(2) In the first stage, the total gas off-take is forecasted for gas day D at an individual exit from the transmission system which is also an entry into the distribution system or closed distribution system.

(3) In the second stage, gas off-take is forecasted for day D for an individual Transmisison System User ~~supplier~~ in a particular balance group (hereinafter referred to as: TSU - BG ~~SUP-BG~~).

Article 4

(1) Forecasting the total gas off-take is carried out by applying unique standard consumption profiles at an individual exit from the transmission system which is also an entry into a distribution system or a closed distribution system, in the following manner:

[14] *Annex II added by Article 55 the Amendments to the Transmission System Network Code (OG 89/19), entering into force on 1.4.2020.*

$$P_D = G \cdot \left[\frac{a}{1 + \left(\frac{b}{T_D - 40} \right)^c} + d \right]$$

where:

- P_D – forecasted gas off-take for gas day D for an exit from the transmission system which is also an entry into the distribution system or a closed distribution system(kWh)
- G – average daily gas off-take at an individual exit from the transmission system which is also an entry into the distribution system or closed distribution system (kWh)
- $a, b, c \; and \; d$ – parameters of forecasting model referred to in Article 5 of this Methodology
- T_D – forecasted daily average temperature for gas day D, the forecast is calculated for, expressed in °C.

(2) If P_D<0, then $P_D = 0$.

(3) Average daily gas off-take (G) is calculated for each individual exit from the transmission system which is also an entry into the distribution system or a closed distribution system, as the total gas off-take in the previous gas year divided by the number of days of the gas year.

Article 5

(1) The Transmission System Operator, as the Forecasting Party, shall publish on the website:

a) the information on the affiliation of an individual exit from the transmission system which is also an entry into the distribution system or a closed distribution system, to an individual meteorological zone (MZ01 – MZ18)
b) parameters a, b, c and d of a forecasting model for an individual meteorological zone.

(2) The Transmission System Operator, as the Forecasting Party, shall acquire information on the forecasted average daily temperature for day D for each meteorological zone, from the Croatian Meteorological and Hydrological Service, in day D-1 and twice in day D.

Article 6

The second phase of the forecasting procedure referred to in Article 4 paragraph 1 of this Methodology, is carried out in the manner that the total gas off-take forecasts for day D referred to in Article 4 are allocated to an individual TSU - BG ~~SUP-BG~~ in proportion to its share in the total off-taken gas quantities for day D-3, at an individual exit from the transmission system which is also an entry into the distribution system or a closed distribution system.

2. Gas energy allocation

Article 7

The allocation of determined gas energy at the exit from the transmission system which is also an entry into the distribution system or a closed distribution system, to TSU - BG ~~SUP-BG~~ is

carried out by the Gas Market Operator for each gas day on the basis of the following information:

- determined daily gas energy at the exits from the transmission system which are entries into the distribution system or a closed distribution system,
- affiliation of an individual billing metering point (hereinafter: BMP) to a supplier, Transmission System User and balance group,
- measured gas consumption of billing metering points with daily metering (BMP DM) on distribution systems,
- daily gas loss on the distribution system,
- coefficient of the share of customer category and the tariff model in an individual hydraulic unit of the distribution system or a closed distribution system for billing metering points without daily metering (BMP WDM)
- shares of consumption of household customers supplied in the public service obligation regime, and shares of consumption of other customers at BMP DM of common boiler rooms for which there is a need to allocate delivered gas energy to the two balance groups.

Article 8

(1) The coefficient of the share of customer category and the tariff model (hereinafter: the share coefficient) expresses the average share the BMP WDM of the relevant customer category within one tariff model, has got in the annual gas consumption of all BMP WDM within a hydraulic unit of a distribution system or a closed distribution system.

(2) The share coefficient is calculated separately for the household customer and separately for the non-household customer within each tariff model.

(3) For the purpose of calculating the share coefficient referred to in paragraph 2 hereof, billing metering points through which joint boilers are supplied with gas shall be classified in the category of customers, that has a consumption ratio on that billing metering point larger than 50 %.

(4) The share coefficient is calculated according to the formula:

$$K_{m,n} = \frac{\frac{\sum G_{m,n}}{j_{m,n}}}{G_{DS}}$$

where:

$K_{m,n}$ – share coefficient of customer category *m* and tariff model *n*

m – customer category (household customer or non-household customer)

n – tariff model (TM1 to TM5)

$\sum G_{m,n}$ – the sum of annual consumption of all customers without daily measurement from the observed hydraulic unit of the distribution system or closed distribution system, of the customer category *m* and the tariff model *n* (kWh).

$j_{m,n}$ –BMP WDM number of the customer category *m* and tariff model *n* within the observed hydraulic unit of the distribution system or closed distribution system

G_{DS} – the total annual consumption of all BMP WDM of tariff models TM1 to TM5 within the observed hydraulic unit of the distribution system or closed distribution system (kWh), from the previous calendar year.

(5) The share coefficient is rounded to 10 decimal places.

Article 9

(1) The share coefficient is calculated daily by the Gas Market Operator for each individual hydraulic unit of each distribution system or a closed distribution system, based on the data available in the registry of billing metering points and are continuously updated pursuant to the provisions of the general conditions of gas supply.

(2) Gas Market Operator shall calculate daily gas losses for a gas day D for each observed hydraulic unit of each distribution system or closed distribution system according to the following formula:

$$Q_{gp} = M_{OTS} \times Gp$$

where:

Q_{gp} – volume of gas losses for gas day D (kWh)

M_{OTS} – total gas energy determined for gas day D at the exit from the transmission system which is also an entry into the distribution system or closed distribution system (kWh)

Gp – rate of gas losses from the previous period of loss calculation for the distribution system or closed distribution system to which a hydraulic unit belongs, which is determined in accordance with the provisions of the Gas Distribution System Network Code.

(3) The Gas Market Operator calculates the daily gas energy off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system according to the following formula:

$$Q_{BDM} = M_{OTS} - Q_{gp} - \sum Q_{DM}$$

where:

Q_{BDM} – gas energy for gas day D off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system (kWh)

M_{OTS} – total gas energy determined for gas day D at the exit from the transmission system which is also an entry into the distribution system or closed distribution system (kWh)

Q_{gp} – volume of gas losses for gas day D for a hydraulic unit of the distribution system or closed distribution system (kWh)

$\sum Q_{DM}$ – total gas volume that the Distribution System Operator either measured, or, in the case of failure at BMP WDM, estimated, in accordance with the provisions of the Gas Distribution System Network Code, for gas day D, at all BMP DM within a hydraulic unit of the distribution system or closed distribution system (kWh)

(4) The Gas Market Operator shall calculate for gas day D the share of each TSU - BG ~~SUP-BG~~ in gas energy off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system according to the following formula:

$$U_k = \sum j_{k,m,n} \times K_{m,n}$$

where

U_k – the share of a *k* pair TSU - BG ~~SUP-BG~~ in gas energy for gas day D, off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system

k – the code of the pair TSU - BG ~~SUP-BG~~ of a hydraulic unit of the distribution system or closed distribution system

$j_{k,m,n}$ – number of BMP WDM of customer category *m* and tariff model *n* within the observed hydraulic unit of the distribution system or closed distribution system, for each *k* pair TSU - BG ~~SUP-BG~~

$K_{m,n}$ – share coefficient of customer category m and tariff model n

m – customer category (a household customer or a non-household customer)

n – tariff model 1 to 5 (TM1 to TM5)

(5) The Gas Market Operator shall allocate gas energy off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system, for each gas day D, for each TSU - BG ~~SUP-BG~~ according to the following formula:

$$Q_{BDM,k} = Q_{BDM} \times U_k$$

where:

k – the code of the pair TSU - BG ~~SUP-BG~~ of a hydraulic unit

$Q_{BDM,k}$ – gas energy taken over at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system, allocated to pair *k* TSU - BG ~~SUP-BG~~

Q_{BDM} – gas energy for gas day D off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system (kWh)

U_k – the share of a pair *k* TSU - BG ~~SUP-BG~~ in gas energy for gas day D off-taken at all BMP WDM within a hydraulic unit

(6) The Gas Market Operator shall calculate the total allocated gas energy for each TSU - BG ~~SUP-BG~~, within a hydraulic unit of the distribution system or closed distribution system, excluding gas losses, according to the following formula:

$$Q_k = Q_{BDM,k} + Q_{DM,k}$$

where:

Q_k – total allocated gas energy for each pair *k* TSU - BG ~~SUP-BG~~, excluding gas losses

$Q_{BDM,k}$ – gas energy off-taken at all BMP WDM within a hydraulic unit of the distribution system or closed distribution system, allocated to pair *k* TSU - BG ~~SUP-BG~~

$Q_{DM,k}$ – gas energy measured at all BMP WDM for pair *k* TSU - BG ~~SUP-BG~~

(7) The gas losses referred to in paragraph 2 hereof are allocated to the TSU - BG pair to which the supplier that receives the payment of the fee for the gas losses in the distribution system by the Distibution System Operator in accordance with the Distribution System Network Code, belongs to.

Article 10

The information on the allocated gas energy referred to in article 9 of this Methodology, used for monthly reports in accordance with the provisions of this Network Code, shall be considered as the final report based on which the Gas Market Operator makes calculations pursuant to the rules on the gas market organisation, and the Transmission System Operator calculates the transmission system usage fee pursuant to this Network Code.