SYSTEM TECHNICAL MANAGEMENT RULES

In case of any discrepancy in the wording of the brochure between both languages, Spanish and English, the Spanish version shall prevail

Version 9

Order ITC/3126/2005, of 5 October, which approves the gas system technical management rules

Article 65 of Law 34/1998 of 7 October on the Hydrocarbons Sector, in accordance with the wording found in Article 7 of Royal Decree-Law 6/2000 of 23 June on Urgent Measures for the Intensification of Competition in Goods and Services Markets, states that "The Ministry of Economy, given a report from the National Energy Commission, shall approve System Technical Management Rules that aim to promote the proper operation of the gas system and ensure the continuity, quality and security of natural gas supply, coordinating the activity of all gas transmission companies".

Royal Decree 949/2001 of 3 August, which regulates third-party access to gas facilities and establishes an integrated economic system for the natural gas sector, develops the basic topics to be addressed in the Gas System Technical Management Rules and, in article 13.1, states that "The technical manager of the system, in collaboration with the other parties involved, will prepare a proposal for the System Technical Management Rules, for submission to the Ministry of Economy for approval or modification".

In accordance with the distribution of powers established in Royal Decrees 1552/2004 and 1554/2004, both of 25 June, the references of Article 65 of Law 34/1998 of 7 October and Article 13 of Royal Decree 949/2001 of 3 August to the now-defunct Ministry of Economy, it should be understood to refer to the current Ministry of Industry, Tourism and Energy.

The Technical Manager of the Gas System, Enagás, S. A., in partnership with the parties involved, has developed and presented to the Ministry of Industry, Tourism and Trade a proposal of System Technical Management Rules.

This proposal for approval of the said standards, with the relevant modifications, was adopted by the Directorate General of Energy Policy and Mines.

In accordance with additional provision 11, section 3.1. 2 of Law 34/1998 of 7 October on the Hydrocarbons Sector, this Ministerial Order, which includes the rules that it approves, has been submitted for the mandatory report of the National Energy Commission.

The purpose of this Order is to approve the said System Technical Management Rules.

Wherefore, I hereby provide:

Article 1. ***Approval of the rules***

The System Technical System Rules, which are listed below, are approved.

Article 2. ***Scope***

The System Technical System Ruless hall apply to the actual Technical Manager of the System, all parties that access the system, the holders of gas facilities and consumers.

The Ruless hall apply to all Spanish gas system facilities, as determined by Article 59 of Law 34/1998 of 7 October on the Hydrocarbons Sector.

Sole transitional provision.

Transparency of management procedures and supply of information

1. Within three months of this Order taking effect, contracts currently in force must be adapted to the provisions of this Order, whose provisions shall be applicable from its entry into force regardless of wether the contract has been amended.

2. Within the same three-month period established in the previous section, the facility holders shall submit all agreements, manuals, contract templates, protocols, standard documents or procedures that are currently being used to the National Energy Commission and the Ministry of Industry, Tourism and Trade.

3. Likewise, in the same three-month period, DSO and gas transmission companies hall set up a digital procedure to provide suppliers and fee-based supply managers with remote access to the metering data of their customers.

Sole repealing provision.

1. Regulatory repeal

All provisions of equal or lower rank contradicting the provisions of this Order are repealed.

2. Final Provisions

First Final Provision. ***Application and implementation of the provisions of the Order and the System Technical Management Rules***

1. The Directorate General of Energy Policy and Mines shall adopt the measures required for the application and implementation of the provisions of this Order.

2. In particular, the Directorate General of Energy Policy and Mines shall approve and amend, when legally appropriate, the Detail Protocols of the System Technical Management Rules and other requirements, rules, documents and operating procedures established to enable the smooth operation of the system.

In all cases, approval or modification of the Detail Protocols of the System Technical Management Rules must comply with the provisions of Paragraph Three of Article 13.1 of Royal Decree 949/2001 of 3 August, which regulates third-party access to gas facilities and establishes an integrated economic system for the natural gas sector.

Resolution of 13 March 2006 of the Directorate General of Energy Policy and Mines establishing the Detail Protocols of the System Technical Management Rules (BOE of 4 April).

Second final provision. ***Authorisation to amend the Technical System Management Rules***

The Directorate General of Energy Policy and Mines is hereby authorised to amend the Technical System Management Rules approved by this Order, given a report from the National Energy Commission, in order to keep its structure and content permanently up to date, in accordance with technical developments and international regulations. Any resolution that modifies these regulations shall be published in the "Official State Gazette" (B.O.E.).

Third Final Provision. *Entry into force*

This Order shall take effect on the first day of the month following its publication in the Official State Gazette.

GAS SYSTEM TECHNICAL MANAGEMENT RULES
NGTS-01 "General concepts"

Approved by Resolution of the Directorate General for Energy Policy and Mines of 11 October 2005.

Amended through the Resolution of 15 February 2019, from the Directorate General for Energy Policy and Mines (Official State Journal 14/0372019), to adapt them to the provisions of Circular 2/2015, of 22 July, from the National Commission on Markets and Competition, establishing the balancing rules in the gas system transmission network, and Royal Decree 984/201, of 30 October, regulating the organised gas market and third party access to natural gas system facilities.

The Technical System Management Rules aim to establish the procedures and mechanisms for the technical management of the system, coordinating the activity of all parties or agents involved in the system to ensure the correct technical operation of the gas system and the continuity, quality and security of the supply of natural gas and manufactured gases by pipeline, in all cases complying with the principles of objectivity, transparency and non-discrimination.

1.1 General concepts

In addition to the definitions already included in Law 34/1998 of 7 October on the Hydrocarbons Sector and its implementing regulations (gas system, Basic Natural Gas Network, primary transmission networks, secondary transmission networks, distribution networks, additional facilities, liquefied natural gas (LNG) regasification plants, LNG satellite plants, direct lines, connections, etc.), for the purposes of these Technical Management of the Gas System Regulations, the following definitions are used:

- **Balancing Areas in VBP.**

Entry-exit system that includes the transport pipeline network subject to the specific balancing regime defined in Circular 2/21015 of 22 July, issued by the National Commission on Markets and Competition, establishing the gas system transmission network balancing regulations:

- **Consumers.**

Those parties who purchase natural gas for their own consumption. Being able

to acquire it from:

- Authorised dealers under freely agreed conditions.

- Directly, without resorting to an authorized dealer, accessing third party facilities.

- **Conventional demand.**

The amount of gas consumed by domestic and industrial users of the gas system.

- **Electricity demand.**

The amount of gas consumed by the system's power plants. This section does not include cogenerations, which will be considered as conventional demand.

- **Demand for gas for transport.**

That demand for natural gas intended for use as fuel for transport, both land and sea.

- **Gas day.**

Time period beginning at 05:00 UTC and ending at 05:00 UTC the following day in winter, or beginning at 04:00 UTC on one day and ending at 04:00 UTC the following day in summer, during which the operations scheduled for that period are performed. It is the reference unit of time for all daily activities covered by these regulations.

- **Independent network manager.**

Company that has obtained the certification of compliance with the requirements of separation of transport activities as established in article 63 quater of Law 34/1998, of 7 October, of the hydrocarbons sector.

- **Communication mechanism.**

Channel to carry out the processes and send the necessary communications (including any notification, sending of information, confirmation, request, approval or acceptance related to said processes) in the gas system.

- **Operators.**

Operators are gas system parties authorised to manage any transmission, liquefaction, LNG regasification, storage or distribution facility, in accordance with the provisions of Law 34/1998 of 7 October on the Hydrocarbons Sector.

Operators are those who are:

- Owners/Managers of regasification plants.

- Owners/Managers of underground storage.

- Gas transporters.

- Gas distributors.

- **LNG loading point:**

Any point where LNG leaves a tank or ship from a regasification plant to:

- A ship (LNG loading to ship, LNG transfer from ship to ship, cold storage on ships, or LNG bunkering) (PCCB).

- A tanker (PCCC).

- **Bunkering.**

The operation of reloading LNG in a ship to use it as fuel in maritime transport.

- **Connection point with underground storage facilities.**

The point in the gas system through which gas exits or enters the transport network to an underground storage facility (PCAS).

- **Connection point between distribution networks.**

Connection point between distribution pipelines with two different owners (PCDD).

- **Connection point between transmission pipelines.**

The point that connects transmission pipelines of two different owners (PCTT).

- **International connection point by pipeline.**

The point in the gas system through which gas leaves or enters the transport network located in Spanish territory to another network of gas pipelines from other countries (PCI).

- **Connection point with renewable gas plants to the distribution network.**

The point in the gas system where gas enters from a renewable gas production plant into the distribution network (PPBD).

- **Connection point with renewable gas plants to the transmission network.**

It is the point in the gas system where gas enters from a renewable gas plant into the transmission network (PCBT).

- **Connection point with LNG regasification plants.**

The point in the gas system that connects a regasification plant to the transmission network (PCPR).

- **Connection point of transmission network and direct lines.**

The point that connects a transport network infrastructure to a direct line or end customer (PCLD).

- **Connection point between transmission network and distribution network.**

A point connecting a transmission network infrastructure with a distribution network infrastructure (PCTD).

- **Connection point with gas field to the transmission network**

This is a point in the gas system where gas enters from a gas field to the transmission network (PCY).

- **Connection points between gas fields and the distribution network.**

A point in the gas system where gas enters from a gas field into the distribution network (PCYD).

- **Virtual interconnection point.**

Two or more physical interconnection points connecting the same adjacent entry-exit systems, which are integrated for commercial and operational purposes into a single capacity allocation point, as defined in Circular 37/2017, of 22 November, from the National Commission on Markets and Competition, regarding the capacity allocation mechanisms to be applied in international gas pipeline connections with Europe.

- **LNG unloading point.**

Any point through which LNG enters a facility:

- To an LNG plant from a ship (PCDB).

- To a satellite plant feeding a distribution network (PSRD).

- **Entry point to the distribution network.**

This is a point in the gas system where gas enters the distribution network.

- **Entry point to the transmission network.**

This is a point in the gas system where gas enters the transmission network.

- **Gas system entry points.**

Any point in an infrastructure belonging to the gas system through which gas enters the system.

- **Exit point of the distribution network**

This is a point in the gas system where gas leaves the distribution network.

- **Exit point of the transport network**

This is a point in the gas system where gas leaves the transmission network.

- **Gas system exit points**

Any point in an infrastructure belonging to the gas system through which gas leaves the system.

- **Supply point.**

Any point by which the gas exits the system and connects with the facilities of the end consumer of the gas (PS).

Classification of supply points:

- According to the design pressure of the gas pipeline to which they are connected, used to define the tariff structure.

- According to the frequency of its consumption reading:

Supply points which are read several times a day (remote-measured).

Supply points whose readings are taken monthly.

Supply points with a reading frequency that may be more than one month.

- To the extent they are able to affect the normal operation of the network to which they are connected:

• All supply points connected to networks with pressure in excess of 16 bar with contracted hourly flows greater than or equal to 25,000 m^3 (n)/h.

• Those other supply points connected to networks with pressure in excess of 16 bar which, due to their consumption, type or position on the network, are able to condition the normal operation of the networks to which they are connected. These latter supply points shall be listed annually by the Technical Manager of the System with the information on carriers and distributors, and reported to the National Commission on Markets and Competition and the Directorate General for Energy Policy and Mines.

- According to the execution of the distribution, established in NGTS-06 and PD-02:

• Supply points type 1 with remote reading.

• Supply points type 1 without remote reading.

• Supply points type 2.

- **Virtual Balancing Point (VBP)**

Virtual exchange point of the transmission network where users can transfer ownership of the gas as input or output, as defined in article 3.1 of Circular

2/2015, of 22 July, of the National Commission on Markets and Competition, which establishes the balancing rules in the transmission network of the gas system.

- **Linear network.**

A gas pipeline in which its exit points are fed by a single entry point.

- **Meshed network.**

That gas pipeline in which its exit points are fed from different entry points.

- **Essential services.**

Royal Decree 1434/2002, of 27 December, which regulates the transmission, distribution, marketing, supply and procedures for authorisation of natural gas facilities, is modified in the following terms:

- **Users.**

A user is a subject of the gas system who uses the facilities belonging to the system or who carries out commercial transactions of change of ownership of natural gas or capacity.

Depending on the types of uses in the Spanish gas system, the user may be enabled in the VBP and/or in the facilities of the Spanish gas system.

- **User enabled in the VBP.**

A VBP-enabled user is a subject with a balancing portfolio enabled by the System's Technical Manager to send notifications of bilateral gas or trade platform ownership transfers, as defined in art. 3.20 of Circular 2/2015 of 22 July of the National Commission on Markets and Competition, which establishes the balancing rules in the gas system's transmission network.

- **User enabled in the facilities of the Spanish gas system.**

The user who has signed the Framework Contract for access to the facilities of the Spanish gas system, approved by the Resolution of 2 August 2016 of the Secretary of State for Energy, which approves the rules for the management of guarantees of the gas system.

- **Loader-Unloader.**

The natural or legal person who is responsible for overseeing the loading and unloading of goods. The Loader will be understood to be the owner of the regasification plant where the loading takes place. The Unloader will be understood to be the owner of the LNG plant where the unloading takes place.

- **Shipper.**

The natural or legal person by whose order and on whose account hazardous goods are shipped, for which the transmission is performed and appears as such in the shipping note.

- **Tanker truck transporter.**

The natural or legal person that assumes the obligation to carry out the transportation, using its own business organisation for that purpose.

- **Tanker truck transport**

Any road transport operation involving tanker trucks, either totally or partially on public roads, including the loading and unloading of hazardous goods. Transportation entirely within the perimeter of an enclosed area is not included.

- **Order.**

Number assigned through the SL-ATR by the loader for each tanker or destination it considers viable.

1.2 Entry and exit point classifications

The points of the gas system are classified in accordance with different criteria:

a) By the existence and frequency of measurement:

Points with measurement.

Measured hourly.

Measured daily.

Others.

Points without measurement:

b) By the existence of remote data readings:

With remote-measuring.

Without remote-measuring.

c) By the method of contracting and programming:

Aggregate point or association of several physical entry or exit points (VIP).

Point not added.

1.3 Definitions relating to management of the system.

- Balancing Action in VBP

Action taken by the System's Technical Manager to maintain the transmission network within its operational and stock limits, excluding actions related to gas shortages and the gas used by the System's Technical Manager for the operation of the transmission network. The balancing actions will be of two types: the transfer of ownership of standardised short-term products and the use of balancing services, as defined in article 3.3 of Circular 2/2015 of 22 July of the National Commission on Markets and Competition, which establishes the balancing rules for the gas system transmission network.

- Balancing.

Process of evaluation of gas reserves, both physical, for each of the facilities or groupings, and commercial, for each user.

- Calibration.

Calibration means the set of operations that establish the specified conditions, the relationship between the values of a magnitude indicated by a measuring instrument or a measurement system, or the values represented by a completed measurement or reference material and the corresponding values of that magnitude derived from a baseline.

- Check.

It consists of a review of the correct operation of the lines where only the operating conditions of pressure and temperature are contrasted, ensuring that errors are within the thresholds allowed.

- Confirmation.

Acceptance by the Technical Manager of the System of a programming, nomination or renomination made by a user once it has been processed.

- Metrological confirmation.

Set of operations required to ensure that measuring equipment complies with the requirements governing its intended use, as established by the State's metrological control regulations and, where applicable, the pertinent technical regulations.

Metrological confirmation usually includes calibration and verification, any necessary adjustment, repair and subsequent recalibration, comparison with the metrological requirements for the intended use of the equipment, as well as any required sealing and labelling.

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- **Framework Agreement for access to the facilities of the Spanish gas system.**

The framework agreement for access to the facilities of the Spanish gas system was approved by the Resolution of the Secretary of State for Energy on 2 August 2016. This Framework Agreement does not include the procurement of services to access the balancing point to or from a pipeline connection with Europe, which have their own access agreement.

- **Operational Balancing Account (OBA).**

Operational balancing derived from the distribution of gas between different infrastructures.

The quantities of gas shall be determined by the difference between the total quantity measured at the connection point and the sum of the nominations confirmed to users at that connection point.

- **Billing.**

Calculation and submission of the amounts to be paid for the services provided in the use of the system.

- **Measurement.**

Process for determining the quantity of the gas carried through the points of the gas system defined in point 1.1.

- **Analysis.**

Process for determining the quality of the gas carried through the points on the gas system defined in point 1.1.

- **Nomination.**

Information sent by users of gas system facilities on day d-1 in relation to the services provided and in particular in relation to the gas that estimated for injection, extraction, supply or consumption on gas day d, following the established calendar in prevailing regulations.

With regard to the service of loading tankers for distribution, the nomination will be made by the distributor.

- **Operation of the gas system.**

Process of applying the Technical Management Regulations, Detail Protocols and other requirements, rules and operating procedures established to enable the correct operation of the system based on criteria of efficacy, efficiency, transparency, safety and better customer service.

- **Balancing period**

The time period for which the balancing of users of the gas system will be calculated. This period will be the gas day as established in article 3.6 of Circular 2/2015 of 22 July, issued by the National Commission on Markets and Competition, establishing the gas system transmission network balancing regulations:

- **Capacity procurement platform**

Single online procurement platform managed by the Technical Manager of the System pursuant to Royal Decree 984/2015 of 30 October, regulating the organised gas market and access by third parties to the natural gas system facilities.

The requirements of this Platform are defined in the Resolution of 2 August 2016 of the State Secretariat for Energy, approving the framework agreement for access to the Spanish gas system facilities.

As defined in article 5 of Royal Decree 984/2015 from the Single Online Procurement Platform, capacity may be contracted in all facilities included in the regulated regime of access to third parties (transport and distribution) except for the capacity of interconnections with other European Union countries.

- **Processing.**

Process of validation of quantities sent in a schedule, nomination or renomination by a user of the system according to established criteria.

- **Short-term standardised product.**

As defined in point 3.4 of Circular 2/2015 of 22 July, issued by the National Commission on Markets and Competition, establishing the gas system transmission network balancing regulations.

- **Scheduling.**

Information to be issued by the parties that use the facilities of the gas system in relation to the gas they estimate that they will inject, extract, store, supply or consume in a given period.

- **Renomination.**

Information sent by users of gas system facilities once the period for sending nominations has closed, in relation to the services provided and in particular in relation to the gas estimated for injection, extraction, supply or consumption on gas day d, following the established calendar.

- **Repair/adjustment.**

Action taken on measuring equipment found by verification to be non-compliant, in order to make it acceptable for its intended use. (UNE-EN ISO 10012).

- **Allocation.**

Allocation is the process of assigning the gas that moves through the infrastructure to the various users of the same. This gas is assigned to each user at an entry or exit of the balancing area to determine its balance.

- **Balancing service**

The action thus defined in point 3.5 of Circular 2/2015 of 22 July, issued by the National Commission on Markets and Competition, establishing the gas system transmission network balancing regulations.

- **SL-ATR.**

Third-party Access Logistics System. System of information and communication between the different parties of the gas system, which supports management of the entire gas cycle: procurement, scheduling and nominations, measurements, distributions, balances and settlements.

- **Verification.**

Verification means the set of activities used to confirm that a measurement system or instrument that undergoes legal metrological control continues to have the metrological characteristics established in the specific applicable regulations, before the end of the period in which they are established.

1.4 Definitions related to system operation.

- **Contracted capacity.**

The capacity contracted by users of the system.

- **Available capacity.**

The difference between the usable capacity and the amount contracted.

- **Minimum operating capacity.**

The capacity below which the facility cannot be used continually because the reliability and operational safety of the equipment and of the facility itself, as well as compliance with environmental requirements, are not guaranteed.

- **Nominal capacity.**

This is the maximum capacity of a facility, which will be authorised by the relevant competent body.

This will match the usable design capacity in normal operation, not including emergency or reserve equipment and without considering potential operational margins and restrictions that may arise due to the characteristics of the facilities to which it is connected.

- **Useful capacity of a facility.**

The nominal capacity minus the minimum operating capacity if the latter exists, except for the calculation of the regasification capacity. However, it is possible that this usable capacity may be reduced by other constraints depending on its integration in the system as a whole.

- **Underground storage facility injection and extraction capacities.**

The injection and extraction capacities of an underground storage facility are the flows of natural gas that the facility can move when it injects gas into the underground storage or extracts gas from the underground storage facility, respectively.

- **Underground storage usable reserves.**

Volume of gas contained in the useful capacity of underground storage. Usable gas is the difference between total gas reserves contained in the storage facility and heel gas gas.

- **Underground storage facility heel gas gas.**

Volume of gas contained in an underground storage facility needed to enable the extraction of gas at the design pressure of the pipeline. This gas is the property of the facility owner.

- **Unavailability of a facility.**

Unavailability is any situation of total or partial limitation on the operation of any gas system facility, whether due to maintenance, infrastructure commissioning, an emergency, force majeure, unforeseen events or any other circumstance.

- **Reserves level in the transmission network or line-pack**

The amount of gas stored in the transmission network. It is an indicator that summarises the balance of pressures at points on the transmission network.

- **Maximum design pressure of gas pipelines.**

Maximum working pressure for which a gas pipeline has been designed.

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- **Minimum guaranteed relative pressures at transmission network connection points.**

Minimum guaranteed pressures under normal operating conditions at connection points with existing and newly constructed transmission networks.

- **Minimum guaranteed relative pressures at distribution network supply points.**

Minimum guaranteed pressures under normal operating conditions at natural gas distribution network supply points.

- **Measurement protocol.**

Set of procedures and technical specifications used to perform gas measurements and analysis, as well as the metrological monitoring and confirmation of measurement devices, among others.

- **Pipeline fill level or stock reference value in transmission network.**

Volume of gas belonging to owners of the transmission networks defined in the PD-18 detail protocol "Technical parameters that determine the normal operation of the transmission network and the performance of balancing actions at the Virtual Balancing Point (VBP) for the Technical Manager of the System".

- **Minimum operational level of the regasification plants. Plant heel gas gas.**

Volume of gas contained in the minimum operating capacity of the tanks and owned by the carrier owner of the plant.

Its value depends on the way each tank is constructed and will be accredited by the owners of the facilities based on their technical characteristics and the provisions of these regulations and their Detail Protocols.

- **Operating gas.**

Natural gas necessary for the correct functioning of the equipment and transmission facilities of the gas system (turbocompressors of compression stations, equipment and systems for underground storage, boilers, torches, submerged combustion vaporizers). These are ascertained using measurement equipment installed for this purpose.

1.5 Measurement units.

The following units are considered in the technical management regulations of the system:

- Volumetric unit for LNG: m^3 of LNG.

- Volumetric unit for natural gas: $m^3(n)$, under normal pressure and temperature conditions.

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The energy unit will be the kWh.

- Entry and exit capacities will be expressed in kWh/h or kWh/day, in m³ of LNG/h, m³(n)/h, m³(n)/day and billions of m³(n)/year (bcm/year);

- Storage capacity will be expressed in kWh, m³(n), and stored capacity in kWh and in m³(n);

- The pressure unit is the bar;

- The temperature unit is ºC.

Use of these units will be mandatory for scheduling, nominations, renominations, measurements, allocations, balancing and billing between agents.

- Minimum unity in trading and intermediation platforms: 1 MWh

This unit will be used to reflect buy and sell transactions, in the case of the organised market and other trading platforms, as well as bilateral transactions in the case of MS-ATR platform.

1.6 Classification of methane tankers

For the purposes of these rules, extra small (XS) vessels are defined as vessels with a transport capacity of less than 9,000 m3; small (S) vessels with a transport capacity of between 9,000 and 40,000 m³ of LNG; medium (M) vessels with a transport capacity of between 40,000 and 75,000 m³ of LNG; large (L) vessels with a transport capacity of between 75,000 and 150,000 m3 of LNG; extra large (XL) vessels with a transport capacity of between 150,000 and 216,000 m3 of LNG; and extra extra large (XXL) vessels with a transport capacity of over 216,000 m3 of LNG.

NGTS-02 "General conditions of use and capacity of gas system facilities"

Amended through the Resolution of 15 February 2019, from the Directorate General for Energy Policy and Mines (Official State Journal 14/0372019), to adapt them to the provisions of Circular 2/2015, of 22 July, from the National Commission on Markets and Competition, establishing the balancing rules in the gas system transmission network, and Royal Decree 984/201, of 30 October, regulating the organised gas market and third party access to natural gas system facilities.

2. General conditions of use and capacity of gas system facilities

2.1 Terms and conditions of access to gas system facilities.

Users may contract useful capacity available in the Single Online Procurement Platform as established by Royal Decree 984/2015, of 30 October 2015, with operators of regasification, transmission, distribution or storage facilities subject to the third party access regime.

The access by users to gas system facilities will be governed in accordance with the provisions of Royal Decree 984/2015 of 30 October, which regulates third-party access to gas facilities and establishes an integrated natural gas system.

The capacity will be contracted through the provisions of the Framework Contract for access to the facilities of the Spanish gas system established through the Resolution of 2 August 2016, of the Secretary of State for Energy, with the exception of contracting the access services from the balancing point to or from a gas pipeline connection with Europe, which have their own access contract.

2.2 Terms and conditions of receipt, delivery and quality of gas

The Technical Management of the Gas System Regulations or their attendant protocols will establish quality limits in terms of pressure, temperature and other characteristics of the delivered gas and for the gas to be delivered.

The rules, procedures or agreements set out in the manuals for the receipt,

delivery and quality of gas at points in the gas system, where applicable, in matters which are not regulated by the technical management of the system regulations and their attendant protocols, shall be governed by the following conditions.

The gas injected at the entry points of the gas system must comply with the natural gas quality specifications determined in these regulations or in their attendant protocols.

The operator shall not be required to provide the user with exactly the same natural gas characteristics at the exit points as the user has injected through the entry points, provided that the gas meets the natural gas quality specifications established in these technical management of the gas system regulations or their attendant protocols, and provided that the agreed amount in terms of energy is delivered.

The gas injected by users into the gas system will be indistinguishable from the other gas that, at any time, is held in the regasification, transmission or storage facilities of the gas system.

Operators must inform the Technical Manager of the System and all affected operators and users as soon as possible of any deficiency in gas quality, estimating the possible duration of the non-compliance and making the necessary corrections so that the gas meets specifications.

The points listed below must have composition, SCV and density analysers, as well as digital remote reading equipment:

- Tanker unloading points at LNG regasification plants (remote reading is not necessary).

- LNG tanker truck loading points (remote reading is not necessary).

- Connection points with underground storage facilities.

- Connection points with national gas fields.

- Connection points of renewable gas plants to the distribution network and to the transmission network.

- Connection points with international pipelines.

- At any points that might alter the composition of the gas, or that, due to their representative nature, are necessary for the proper calculation of composition.

- Connection points with LNG regasification plants.

2.3 General requirements for communication procedures.

Communication procedures shall establish, as a minimum:

- The exchange of information on the gas flow.

- Communication of the inspection, repair, verification and maintenance plans between parties interacting at the same point or at distribution points that affect the operators to which they are connected upstream.

- Communication of mutual collaborations that avoid any possible unavailability of the gas system.

- Communication of scheduling.

- Communication of nominations and renominations.

- Communication of balancing, operational reserves and minimum security reserves of the parties involved.

- Communication by the Technical Manager of the System to operators to ensure the correct operation of the gas system.

- Communication of gas transactions and authorized parties.

- Capacity communications.

- Communications of the maintenance of the computer systems of the agents and the Technical Manager of the System that affect the business processes.

Whenever possible, communications between the different users of the gas system will be managed through the SL-ATR.

2.4 General conditions for measurement and for remote reading.

Measurement rules or protocols shall set the minimum requirements of the systems for measuring and analysing the quality of the gas in each case.

Likewise, they will establish the following standard procedures and methods:

- Calculation procedure for measurement and analysis.

- Procedure in the event of anomalies in the measurement or analytical equipment.

- Procedure for metrological confirmation of measurement and analytical equipment.

- Procedure for sealing measurement and analytical equipment.

- Regularisation procedure.

- Measurement and analytical equipment maintenance procedure.

For levels of consumption set by legislation, it will be an absolute requirement for the commissioning of facilities at new supply points that they have a remote reading system and the necessary ancillary facilities. If this system is not installed or operational, the provisions of the law regarding this situation shall apply.

2.5 General conditions for the allocation.

The allocation rules or protocols shall establish the procedure for determining the quantities of gas assigned to each party at each point of the gas system, in particular at shared points.

2.6 General requirements for the integration of new facilities into the system

New facilities that are integrated into the gas system or that connect to it:

- Must comply with current technical regulations for construction, commissioning, operation and maintenance.

- Shall be technically and operationally compatible with the facilities of the operators of other facilities to which theirs are connected.

- Shall be maintained in good operational conditions and shall be operated in a manner that is compatible with the facilities of the operators of other facilities to which theirs are connected.

- Shall be accessible by the technical staff of the operators of other facilities to which they are connected pursuant to the terms agreed in contracts and operating manuals.

- Shall at all times have the necessary capacity to properly meet any service commitments undertaken.

2.7 General requirements for the use of transmission networks.

2.7.1 Fill level of the pipelines or reference value of reserves in the transmission network.

Infrastructure owners shall provide a quantity of gas owned by them for the purpose of constituting the pipeline fill level or reserves reference value of the transmission network.

The quantity contributed at pipeline fill level or reserves reference value may not be used by owners.

2.7.2 Shrinkage.

The owners of the entry points to the global transmission system retain gas from users over the entry amount that has been assigned to them in the

allocations, as shrinkage (losses and measurement differences), applying the rates in force on each of the days of the consumption period.

2.7.3 Self-consumption.

The self-consumption produced in the facilities will be acquired by the operator or by the Technical Manager of the System in accordance with the provisions of prevailing legislation.

2.7.4 Minimum guaranteed pressures.

The basic transmission pipeline network shall be designed so that it is capable of maintaining a minimum pressure of 40 bar.

The minimum pressures under normal operating conditions at connection points with existing and new transmission networks will be agreed upon, in a transparent and non-discriminatory manner, between the parties depending on the location of the connection point. In all cases, the operator of the transmission network will inform, in a transparent and non-discriminatory way, customers with consumption exceeding 100 GWh/year and the Technical Manager of the System of the pressure levels that can be guaranteed in the different network areas.

In general terms, the minimum guaranteed pressures at connection points with existing and new transmission networks will be the following:

- Connection points with basic transmission pipelines, direct lines and distribution networks designed to carry gas to a single end consumer: the minimum pressure value is set at 16 bar;

- Connection points with basic transmission pipelines of other basic or secondary transmission pipelines:

- If the connection point is located inside a meshed network, the minimum pressure value is set at 40 bar;

- If the connection point is in a network line from a meshed network with a single flow direction, the minimum pressure value is set at 30 bar.

- Connection points to pipelines: the minimum pressure value is set at 16 bar.

When an increase in the flows being moved leads to an area of the Basic Network reaching or being predicted to reach the minimum pressures set out in this section, the procedure is as follows:

- The transmission company will contact the Technical Manager of the System;

- The Technical Manager of the System will analyse the situation and, if necessary, declare the pipelines affected to be saturated, subsequently proposing the necessary remedial measures, including proposals for

mandatory planning;

- Restrictive measures may be applied to new contracts or increases in existing ones;

- Based on the above, the requirement to comply with the guaranteed minimum pressures in normal operating conditions may be suspended until the proposed remedial measures are implemented.

2.8 General requirements for the use of distribution networks.

2.8.1 Shrinkage.

Owners of entry points to distribution networks will retain gas from users with respect to the consumption of their customers connected to each PCTD or PCDD on the amount allocated to them, as losses and measurement differences, applying the rates in force on each of the days of the consumption period.

2.8.2 Minimum guaranteed relative pressures

The minimum pressures at natural gas distribution network supply points, below which a supply interruption will be considered to have occurred, are as follows:

- 18 mbar relative pressure if located on a network whose pressure does not exceed 0.05 bar.

- 50 mbar relative pressure if located on a network whose pressure is between 0.05 bar and 0.4 bar.

- 0.4 bar relative pressure if located on a network whose pressure is between 0.4 bar and 4 bar.

- 3 bar relative pressure if located on a network whose pressure is between 4 bar and 16 bar.

- 16 bar relative pressure if located on a network whose pressure exceeds 16 bar.

The operator of the distribution network will inform, in a transparent and non-discriminatory way, customers with consumption exceeding 100 GWh/year and the Technical Manager of the System of the pressure levels that can be guaranteed in the different network areas.

If a user needs supply pressures in excess of those established in each range, particular agreements will be reached between the parties, using objective, transparent and non-discriminatory bases.

2.9 General requirements for the operation and use of LNG regasification plants.

2.9.1 Minimum operating level. Heel Gas.

Volume of gas contained in the minimum operating capacity of the tanks and owned by the carrier owner of the plant.

Operators of regasification plants will contribute a quantity of LNG owned by them for the purpose of constituting the minimum operating level (heel gas) of the LNG tanks of the regasification plant. The quantity contributed at the minimum filling level will remain immobilised within the plants, without the operators being able to make use of it, except in the case where the plant is obliged to burn, vent or inject that gas for operational reasons, when it finds a level of LNG in its tanks equal to the value of its heel gas.

2.9.2 Shrinkage

Plant owners will apply the following criteria:

- Entries: in plants where the physical discharges take place, the owner of the regasification plant will calculate the amount of gas derived from the application of the rates in force on each of the days of the consumption period as shrinkage retained from the user.

- Exits (ship loading, gassing up and cool down): in plants where these physical operations take place, the owner of the regasification plant will calculate the real losses registered during the operation as shrinkage retained from the user.

2.9.3 Self-consumption.

The self-consumption that takes place in the facilities will be acquired according to what is established in prevailing legislation.

2.9.4 Requirements for the loading and unloading of ships.

2.9.4.1 Information required for contracting the service of loading or unloading ships.

The operators of LNG regasification plants will supply the following information to any user who requests it prior to the signing of the corresponding contract:

- Specific characteristics of ports, docks and unloading arms;

- Other information that the user should know.

The available capacities of the available services associated with the Regasification Plants (loading, unloading, storage, regasification, and any other that is defined in the regulations), may be consulted and must be contracted in the Single Online Platform For Requesting And Procuring Capacity.

2.9.4.2. Methane tanker loading and unloading requirements.

Verification of the compatibility between ships and ports, arms and docks for each LNG regasification plant, taking into account their respective characteristics, will lead to a contractual agreement that grants the tanker the right to access LNG unloading at the plant in question.

Even so, the first time that a ship is going to perform any service at an LNG regasification plant terminal, it must be authorised to do so by the owner of the plant through a compatibility procedure, in accordance with the corresponding detail protocol.

The owner of the facility will be responsible for issuing a certificate of compatibility for each new ship that is going to perform any service for the first time, and will send a copy of the certificate to the Technical Manager of the System at least 48 hours before the first operation begins. The Technical Manager of the System will publish a list of compatible vessels on the Website at the disposal of all LNG regasification plants and shippers. Likewise, inspections should take place regularly or following declared modifications to the ship or terminal to verify that unloading compatibility is maintained.

The Ship-Shore Safety Procedure established by the International Maritime Organization, or an equivalent standard of recognised international acceptance, will be followed.

The procurement of the LNG gassing up or bunkering of a ship will only be possible as long as these activities do not interfere with operations related to the supply of gas in the system.

All aspects referred to in this section will be developed in the corresponding Detail Protocol.

2.9.5 Liquefied Natural Gas (LNG) tanker truck loading requirements

The transportation and handling of LNG in tanker trucks, as well as the relationship between the parties involved, must comply with current legislation.

The loader will refuse to load if the Truck Transporter does not have the order declared viable by the Loader and duly authorised by the dispatcher, or if it is not duly and reliably certified that both driver and vehicle have the permits and licences required for the planned transportation, in accordance with the regulations applying to road transportation of hazardous goods.

Before the first delivery of LNG to a new satellite plant, the owner of the plant must deliver, in the form and by the deadline, all the documentation established in section 4 of the detailed protocol PD-12 "LNG tanker truck logistics".

When a tanker returns to perform a new load, the Dispatcher will require the tanker carrier to provide the documentation established in the prevailing regulations, with the return delivery note duly signed and sealed, identifying that it transports LNG and specifying whether or not the tanker is filled with an inert gas. Likewise, the loader will ask the truck transporter, before the start of each load, through the order, for the destination(s) of the load (identification and location of the satellite plant). Without this documentation, the operation cannot be performed.

The loader will deliver to the truck transporter, for each load:

- The LNG waybill: specifying the weight and quality of gas delivered, the loader, the recipient, the transmission company's details and the time of departure from the plant.

- Shipping note, signed by the truck transporter and the dispatcher.

- Check-list, signed by the truck transporter and the loader.

2.10 General requirements for the use of underground storage facilities.

Users will have the right of access to the storage, injection and extraction capacity of these facilities in accordance with prevailing regulations.

2.10.1 Minimum operating level. Heel gas gas.

Infrastructure operators will provide a quantity of gas owned by them in order to constitute the minimum operational level of storage.

The amount contributed to the fill level will remain locked within the storage facilities; the owners will not be able to make use of it.

2.11 Principles for the calculation of facility capacity

The capacities of the facilities will be calculated in accordance with the provisions of detail protocol PD-10 "Calculation of the Capacity of Gas System Facilities".

Also, given their fundamental nature, the owners of the facilities must publish the nominal capacities of their facilities with the detail and scope set out in the above-mentioned protocol, in order to ensure that all parties entitled to access gas facilities have the same standard and sufficient information to enable effective decision-making in the exercise of their third-party access rights.

The available capacity to be contracted will be automatically calculated and published in the Single Online Platform For Requesting And Procuring Capacity managed by the Technical Manager of the System, and will cover all time horizons, thus facilitating users' decision-making on contracting in real time.

2.12 Unavailability at transmission facilities.

In the event of unavailability of a transmission facility, the operator of the facility must notify the users that have contracted capacity with it, as well as the Technical Manager of the System and the owners of facilities connected to its facilities of its available capacity for as long as the unavailability situation lasts. In order to minimise its impact, any unavailability must be reported as soon as possible. In all cases, the owner of the facility affected by the unavailability will make every possible effort to minimise its duration and its effects on normal service provision.

If, as a result of this unavailability, the end user supply capacity is reduced, the remaining capacity will be allocated, as coordinated and supervised by the Technical Manager of the System, among the affected users based on objective, transparent and non-discriminatory criteria.

2.13 Unavailability at distribution facilities.

In the event of unavailability, the operator of the distribution facility with unavailability must notify the users that have contracted capacity with it, as well as the Technical Manager of the System and the owners of facilities connected to its facilities of its available capacity for as long as the unavailability situation lasts. In order to minimise its impact, any unavailability must be reported as soon as possible. In all cases, the owner of the facility affected by the unavailability will make every possible effort to minimise its duration and its effects on normal service provision.

If, as a result of this unavailability, the end user supply capacity is reduced, the remaining capacity will be distributed, if applicable, among the affected users based on objective, transparent and non-discriminatory criteria.

2.14 Unavailability in LNG regasification plants.

The operators of the regasification plants will inform the Technical Manager of the System and the parties with current access contracts of any ongoing or planned amendment or change that affects, or may affect, the characteristics or the operation of these plants.

2.15 Unavailability in underground storage facilities

The operators of the underground storage facilities will inform the Technical Manager of the System and the parties with current access contracts of any ongoing or planned amendment or change that affects, or may affect, the characteristics or the operation of these plants.

2.16 Transparency of conditions for access to the transmission network.

The Technical Manager of the System and the operators of the facilities must publish on their websites the part that affects users of all agreements, manuals, contract models or procedures that complement elements regulated in these technical management of the gas system regulations or in their detail protocols, as well as any information necessary to guarantee transparency in the technical management of the system.

None of the contents of the agreements signed between the parties of the system may contradict the provisions of current legislation.

NGTS-03 "Programming"

2 Programming

3.1 Definitions.

Information to be issued by the parties that use the facilities of the gas system in relation to the gas they estimate that they will inject, withdraw, store, supply or consume in a given period.

3.2 Parties involved.

The parties involved are:

– Users with a balancing portfolio enabled by the Technical Manager of the System (TMS) for notifications of bilateral transfers of gas ownership or platform trades. Shippers and/or direct market consumers may band together to form a single user.

– The users of the other gas facilities, in accordance with the definition found in section 2.1 of NGTS-02.

A shipper or direct market consumer may represent different users. In any case, each user has a single balancing portfolio.

Agents registered as users will be obliged to program so that the operators of the facilities can organise their management and, in particular, so that the Technical Manager of the System can perform its functions assigned as the party responsible for the technical management of the gas system.

3.3 General conditions.

Programming will be for informative purposes, except for the LNG tanker unloading programming, which will be binding in accordance with Detail Protocol PD-07 "Programming, nominations and re-nominations at system infrastructure facilities". It will be necessary to program for at least:

- Conventional demand
- Demand for electricity generation.

- Transmission: the entry or exit of gas through transmission network connection points with regasification plants, gas production fields, international interconnections and underground storage facilities.
- The use of underground storage facilities.
- The use of LNG plants.
- Gas for self-consumption necessary for the operation of the different infrastructure facilities of the System and the minimum fill level of the new infrastructures. The scope and frequency of gas programming for self-consumption and for the minimum fill level will be set in accordance with the provisions of the Resolution of 23 December 2015 of the Ministry of Energy, by which the operating gas acquisition procedure is performed or any other that modifies it.

The programming, its processing and subsequent confirmation or viability (in the case of tankers and truck cisterns) will be produced with the frequency and scope stipulated in Detail Protocol PD-07 "Programming, nominations and re-nominations at system infrastructure facilities".

All the information and communication related to programming processes will be provided through the Third Party Network Access Logistics System (SL-ATR). The user will issue a program for each point of the gas system and for the relevant services of the user intending to use it within the established programming periods.

The user will issue an amount for each combination of the following points: day, point/service, other involved party (where applicable) and flow direction (where applicable).

The confirmed or viable amounts will be allocated among the contracts in accordance with the provisions of PD-07 "Programming, nominations and re-nominations at system infrastructure facilities".

The TMS will provide the Directorate General of Energy Policy and Mines and the National Markets and Competition Commission with access to the following information:

– Completed, confirmed, viable and rejected programming.

– Capacity programmed and available for each facility.

3.4 Transmission network programming.

The demand programming for both the conventional sector and for electricity generation at combined cycle plants or power stations will be sent by the users so that they are available to the Technical Manager of the System.

Users will send the programming associated with the other transmission network entry or exit points and the services that are offered, in accordance with the provisions of Detail Protocol PD-07 "Programming, nominations and re-nominations at system infrastructure facilities", so that the network operator, in the corresponding services, and the Technical Manager of the System have the programming available.

3.5 Programming at underground storage facilities.

Users of the underground storage facilities will send their programming in accordance with the provisions of Detail Protocol PD-
07. The Technical Manager of the System will have access to this information, which will include at least the injections and withdrawals corresponding to the programming period.

The programming of the basic underground storage facilities will be produced based on a single storage facility.

Once the overall programming of the underground storage facilities has been confirmed, the Technical Manager of the System will send the operators the physical injection and withdrawal programming for each storage facility.

3.6 Programming for LNG regasification plants.

The Technical Manager of the System, with the information provided by the regasification plant operators, will report, as per the terms established in the technical management rules of the system, the programmed maintenance dates, as well as other additional conditions, such as days affected by tides and nightly restrictions.

Users of regasification plants shall send programming associated with the services to be provided in accordance with the provisions of Detail Protocol PD-07 so that the operator of the facility and the Technical Manager of the System have access to this information.

The regasification plant operator shall simulate all programming before confirming them. When the programming is not confirmed, the operator will report this to the corresponding users so they can change their programming.

When the programming is confirmed, the operator will report this to the users involved.

The final annual programming must include at least tentative unloading dates for each of the large tankers continuously engaged in long-distance traffic with the same origin, in order to facilitate the continuity of the use of these ships on the assigned routes as much as possible and as a priority.

In the case of shipments shared by different users, each one shall specify the amount of LNG that pertains to them.

Dates for tanker unloading in regasification plant programming shall be performed in accordance with the provisions of Detail Protocol PD-13 "Assignment of tanker unloading dates at regasification plants". The programming for tanker unloading can only be amended or deleted for justified reasons and once the operator of the regasification plant and the Technical Manager of the System have reviewed and approved it, unless the safety of the system is endangered.

A record will be published via the SL-ATR, maintained by the Technical Manager of the System, of the assigned, unassigned and free unloading windows at each of the plants.

When the operator of each regasification plant confirms the quarterly programming, it will set and report the unloading date of each tanker (window). Each user will receive information regarding its tankers.

The tanker unloading procedure is outlined in Detail Protocol PD-06 "Operational rules for unloading methane tankers".

On a daily basis, the users will provide the operators of the regasification plants and the Technical Manager of the System with any change to the tanker's unloading programming (date, tanker and quantity), using the SL-ATR.

The confirmation described in the previous paragraphs is not applicable to regasification, but will be taken into account to confirm programming at the plant as a whole, and it may condition the confirmation of tanker unloading.

3.6.1 Economic charges due to excess LNG at plants

In order to achieve efficient management of the facilities and to avoid any hoarding, the Technical Manager of the System will apply the charges to the users as calculated in accordance with the provisions established below.

The Technical Manager of the System will determine, daily and system-wide for all plants, the LNG stock of each user, calculated as the thirty-day moving

average (including the current day). A set of users that belong to the same business group will be understood to be a single user.

In the event that the said value exceeds the energy equivalent to fifteen times the contracted regasification capacity, the Technical Manager of the System will apply, daily, to the user's stock in excess of the aforesaid limit, the following daily charge:

Excess less than or equal to four days: two and a half times the current LNG storage.

Excess over four days: ten times the current LNG storage fee.

For users for whom the energy equivalent to fifteen days of the contracted regasification capacity is less than 300 GWh, this last value will be used as a limit.

For users who have loaded tankers and have incurred an imbalance of excessive LNG, this imbalance will be reduced by an amount equal to the stocks loaded in the month, up to a threshold of 300 GWh, prioritizing the upper price bracket.

These payments will be additional to the daily storage fee for LNG invoiced by the operator of the regasification plant, and will be considered as a system payable income.

The Directorate General of Energy Policy and Mines is authorised to amend the previous calculation procedure based on the evolution of the market and the storage capacity.

3.6.2 Publication of tanker unloading programming

Once the monthly unloading programming of the tankers of the users is confirmed, the Technical Manager of the System will publish the following information for each regasification plant via the SL-ATR:

- Expected tankers, indicating ship classification according to size.
- Amount of gas to be unloaded.
- Free unloading windows, if any, indicating for each month the specific days on which new tankers could be unloaded and their admissible sizes. This information will also be published on the website of the Technical Manager of the System and of the operators of the regasification plants.

NGTS-04 "Nominations and re-nominations"

Nominations and re-nominations

4.1 Definitions.

Nomination: Information sent by users of gas system facilities on day d-1 in relation to the services provided and, in particular, in relation to the gas that estimated for injection, withdrawal, supply or consumption on gas day d, following the established calendar.

Re-nominations: Information sent by users of gas system facilities once the period for sending nominations has been closed in relation to the services provided and, in particular, in relation to the gas estimated for injection, withdrawal, supply or consumption on gas day d, following the established calendar.

When, for a gas day d, a user performs a re-nomination on the day before the gas day d, this re-nomination will affect the use of the facility by the user throughout the gas day d. If the re-nomination is made within gas day d, it will only affect the remaining hours of the gas day, once the cycle of re-nominations in which it occurs is finished.

4.2 Parties involved.

As defined in section 3.2. "Parties involved" of NGTS-03 "Programming":

– Users with a balance portfolio approved by the Technical Manager of the System for sending notifications of bilateral transfers of gas ownership or platform trades. Shippers and/or direct market consumers may band together to form a single user.

– The users of the other gas facilities, in accordance with the definition of section 2.1 of NGTS-02. The parties involved may make nominations and re-nominations for the use they plan to make of said facilities.

4.3 General conditions.

The nominations and re-nominations - and their processing and confirmation of the services provided in each facility - will be performed in accordance with the provisions of PD-07 "Programming, nominations and re-nominations at system infrastructure facilities".

The data exchange solution of the nominations and re-nominations will include acknowledgement of receipt to the users.

At any time, depending on the specific needs of the Technical Manager of the System, and whenever justified, the latter may require to the users of the facilities to provided a precise, updated and sufficiently detailed review of their entries and exits.

All information and communication related to nomination and re-nomination processes will be provided through the Third Party Network Access Logistics System (SL-ATR). Nominations and re-nominations may be sent according to one of the following options:

- The user may issue an amount for each combination of the following items: day, point/service, other party involved (where applicable) and flow direction (where applicable). The user's nomination or re-nomination for that point/service, day, other party involved and direction shall be the sum of the amounts indicated in each contract.
- The user may issue a single amount for each combination of the following items: day, point/service, other party involved (where applicable) and flow direction (where applicable) regardless of the number of contracts in effect on the point/service.

The confirmed amounts will be allocated between the contracts in accordance with the provisions of PD-07 "Programming, nominations and re-nominations at system infrastructure facilities".

A nomination or a re-nomination may be accepted above the booked capacity, provided there is available capacity and that it does not contradict the legislation in force.

4.4 Processing and confirmation of a nomination or re-nomination in the transmission network

The Technical Manager of the System will not accept a nomination or re-nomination in the following cases:

a) If it does not conform to the established content.

b) If it is not sent by an authorised user.

c) If it results in a flow that cannot physically happen.

d) If current regulations require it.

If a user's nomination or re-nomination is rejected, the Technical Manager of the System will notify the user of the rejection, indicating the reason for it, and will take the last confirmed nomination or re-nomination for use.

The Technical Manager of the System may only change the amount of gas in a nomination or re-nomination in exceptional cases, particularly in emergencies where there is a clear danger to the safety and stability of the system. In such a case, the Technical Manager of the System must inform the Directorate General of Energy Policy and Mines and the National Markets and Competition Commission, justifying their action.

In this case, the SL-ATR will report the final confirmed amount and its justification to all affected users by email.

The Technical Manager of the System cannot reject a user's nomination or re-nomination merely because their nomination or re-nomination for gas flowed into to the system does not match their nomination or re-nomination for the offtake of gas in the system.

The nominations or re-nominations processing at transmission system entry or exit points will be performed from both sides of the point in accordance with PD-07 "Programming, nominations and re-nominations at system infrastructure facilities" and will take account of the following:

• The capacity contracted by the user and the contract type.

• The net balance of nominations and re-nominations of all users at that point/service.

• The nominal daily capacity at that point/service.

• Re-nominations made during the gas day must take account of the nominal capacity at a specific moment as the result of considering the gas conveyed to all users and the hours remaining in the day. If the overselling and repurchasing capacity mechanism has been applied at the point.

• If the Technical Manager of the System has carried out a balancing action involving the acquisition of a local product or a balancing service at that point.

In the assumptions that are established in the NGTS and in their Detail Protocols, if there is unavailability of any of the facilities involved in the processing of the nominations and re-nominations, from that time, the capacity at that point will be taken into account, considering both the unavailability and the agreements permitted by current regulations; nominations and re-nominations may be reduced in accordance with the provisions of PD-07 "Programming, nominations and re-nominations at system infrastructure facilities". Likewise, users will be informed about the unavailability in accordance with the provisions of NGTS-02 "General conditions of use and capacity of gas system facilities".

Once the processing of the nominations and re-nominations has been completed, any appeals will be made at the connection points between two different infrastructure facilities. Confirmed amounts will be processed and then submitted to the appeals process.

4.5 Rejection of a nomination or re-nomination of tanker operations.

The possible reasons why a nomination or re-nomination may be rejected are as follows:

- The nomination was sent outside the period set for this purpose.
- The user is not recognised at the entry or exit point for which it is nominated.
- The user does not have stock at the regasification plant or, if it does, needs to reduce its storage below the minimum stock level established in current regulations to handle the nomination.
- Justified unavailability at the regasification plant, affecting its total or partial capacity. In all cases, the rejection of a nomination will be accompanied by the reasons for it.

NGTS-05 "Measurement"

5 Measurement

5.1 Purpose and scope of measurement.

The purpose of measurement is to determine the quantity and quality of gas flows at all points of the gas system in which it is legally required or considered necessary to do so, for the accurate and correct performance of the following functions and activities:

- The supervision and management of the overall control of the operation of the gas system.
- The allocations and balancing referred to by the corresponding Technical System Management Regulations.
- The invoicing for gas deliveries between parties operating in the system.
- The invoicing for supplies delivered to end consumers by DOS'S and shippers.
- The invoicing for ATR services (third-party network access) provided to facility users by the holders of the facilities that make up the system.
- The monitoring of programming and nominations as well as the analysis of their viability.

To this end, the scope of these rules extends to all those aspects required for measuring equipment and measurement procedures and to those related to metrological control, as established in Law 3/1985 of 18 March on Metrology. If there is no specific legislation on this topic, the corresponding UNE standard will be observed.

Furthermore, to perform the necessary monitoring, measurements and analysis will be carried out to determine the quantity and quality of the gas being transmitted, regasified, unloaded, distributed or stored by the corresponding facilities. A historical log of measurements and analysis results will be retained for four years.

5.2 General criteria relating to measurement systems and procedures

The general criteria governing the drafting of the corresponding Detail Protocol and any measurement system and procedure that will be developed accordingly will be the following:

The measurement facility will have the necessary equipment for the correct measurement of the quantity delivered and, where appropriate, the quality of the gas.

Generally, measurement facilities shall not have equipment for determining the characteristics of the gas delivered. In this case, the parameters required to establish the quality will be obtained from another point in the system, accepted by the parties involved, that does have this type of equipment and that is receiving gas of equal or similar quality and that has the relevant equipment.

Measuring equipment and procedures and determination of quality shall only be valid if they are expressly mentioned in the corresponding measurement protocol. This equipment and the procedures shall be subject to the metrological control of the State and, where appropriate, shall comply with applicable UNE-EN regulations.

To convert the unit of measurement of the meters that lack correction equipment (m^3) to the unit of measurement established for the tariffs and fees (kWh), a coefficient shall be used, which shall take account of the measurement conditions of the supply point and the gross calorific value (GCV) in the gas phase measured at 0ºC and 1.01325 bar. These coefficients must be specified on the invoice of sale of gas to be sold at a regulated price, and on the bills of sale for regulated prices and fees as variables used as the basis for calculation of the resulting amounts. For these purposes, the Technical Manager of the System must report each month on the coefficients to be applied to clients in different geographical areas, with a justification thereof, to the National Energy Commission and to DOS'S and shippers. DSO's will publish the GCV information and correction factors applicable to consumers for each municipality.

In relation to the installation and maintenance of the measuring equipment, as well as any related operations, the applicable safety rules will be respected at all times, as will the corresponding regulations required at the facilities where the equipment is located.

Measuring and system equipment and quality shall be subject to the checks established by the metrological control legislation, in order to confirm that their metrological characteristics remain within the established level of accuracy and reliability.

The holder of the measurement facility must have the corresponding remote measuring equipment when its level of consumption or the characteristics of the network to which it is connected make it necessary under current legislation. The remote measuring equipment must be compatible with the remote measuring management systems of the DSO and/or gas transmission company, thus allowing communication for data transmission to be sent to them.

Measurement facilities fitted with a remote measuring system shall enable the gas delivery parameters to be viewed in the field and from the remote measuring management centre of the DSO or gas distribution company delivering gas to the facilities.

To obtain final amounts and qualities delivered, metrological confirmation of the measurement systems or any other verification that may be agreed, system parties may appoint their representatives, who shall act on behalf of their companies and in accordance with the provisions of Technical System Management Rules.

The parties involved shall notify the other parties, in writing, of the appointment of their representatives or of what shall be established if the representatives are unable to comply with the obligations under these Technical System Management Rules. Any change of representative must be reported in writing to the other parties involved.

Any change to the procedures for calculating and controlling gas quantity and quality, replacement of any measuring equipment and quality of the calibration, shall be agreed between the parties affected by the measurement.

If new measurement procedures, ruless or instruments appear in the area of gas quantity and quality, which offer greater reliability, precision or speed and are economically profitable, the holder of the measurement facility and the other parties (including the Technical Manager of the System) undertake to study the possible use of these measurement procedures, rules or instruments, or to replace those already in use.

NGTS-06 "Allocation"

6 Allocation

Approved by Resolution of the Directorate General for Energy Policy and Mines of 11 October 2005.

Amended under the Resolution of 8 October 2018 of the Directorate General for Energy Policy and Mines, (B.O.E. 23 October 2018).

6.1 Definitions

6.1.1 Allocation

Allocation is the process of assigning the gas that moves through the infrastructures to the various users of them. This gas is assigned to each user at an entry or exit of the balancing area in order to determine its balance. This process will be carried out by the party in charge of allocation at the allocation points, under the principles of objectivity, transparency and non-discrimination, in coordination with the Technical Manager of the System.

6.1.2 Allocation points on the gas system

Allocations will be made at the following points of the gas system:

- Entry points to the transmission network:
  - Connection points with international pipelines (PCI).
  - Connection points between transmission pipelines and underground storage facilities. (PCAS).
  - Connection points between transmission pipelines and biogas production fields and plants (PCY).
  - Connection points between transmission pipelines and LNG regasification plants (PCPR)
- Exit points from the transmission network:
  - Connection points between transmission networks and distribution networks (PCTD).
  - Connection points between transmission pipelines and direct lines or end customers (PCLD).

• Other points of the gas system:

– Connection points between distribution pipelines with two different holders (PCDD).

- Connection points between biogas production plants and distribution pipelines (PPBD).
- LNG truck cistern loading connection points in regasification plants (PCCC).
- Tanker loading and unloading points (PCDB).

6.1.3 Parties responsible for measuring transmitted gas

The party responsible for measuring the transmitted gas for allocation will be the holder of the measurement unit, with the following exceptions:

- At connection points between transmission networks and distribution networks (PCTD), the measurement of the transmitted gas will be the responsibility of the holder of the measurement unit, unless agreed otherwise by the parties.
- At connection points between distribution pipelines with two different holders (PCDD), the measurement of the transmitted gas will be the responsibility of the holder of the measurement unit, unless agreed otherwise by the parties.
- At connection points between biogas production plants and distribution networks (PPBD), the measurement of the transmitted gas into the distribution network will be the responsibility of the distribution operator.
- At connection points between transmission pipelines and direct lines or end customers (PCLD), the measurement of the transmitted gas will be the responsibility of the gas transmission company connected upstream, unless agreed otherwise by the parties. Furthermore, where the gas transmission company's measurement unit is not available, the consumer's measurement unit may be used.
- At tanker loading or unloading points (PCDB) and LNG truck cistern loading connection points at regasification plants (PCCC), the measurement of the transmitted gas will be the responsibility of the holder of the regasification plant where the loading or unloading took place. The party responsible for the measurement will provide the party responsible for allocation, through the SL-ATR, with the amount to be

allocated. The Technical Manager of the System will publish an updated list of those responsible for measuring the gas transmitted at each of the connection points of the gas system via the SL-ATR.

6.1.4 Allocation responsible

The party responsible for the allocation of the transmitted gas, or allocation responsible, will generally be the same as that responsible for the measurement, with the following exceptions:

- At connection points between transmission networks and distribution networks (PCTD), the allocation responsible will be the holder of the distribution network.
- At connection points between the distribution networks of two different holders (PCDD), the allocation responsible will be the holder of the network located downstream.
- At connection points between biogas production plants and distribution networks (PPBD), the allocation responsible will be the owner of the distribution network.
- At connection points with international pipelines (PCI), the allocation responsible will be agreed upon between the interconnected gas transmission companies.
- At connection points between transmission pipelines and regasification plants (PCPR), the party responsible for the allocation will be the Technical Manager of the System in collaboration with the holder of the regasification plant.
- At connection points between transmission pipelines and direct lines or final customers (PCLD), the allocation responsible will be the gas company transmission connected upstream.
- At the connection points between transmission pipelines and underground storage facilities (PCAS), the allocation responsible will be the Technical Manager of the System in collaboration with the operators of the underground storage facilities.

The allocation responsible will divide the measurement provided by the party responsible for measurement among the users and report it through the SL-ATR. The Technical Manager of the System will publish an updated list of all allocation points in the gas system via the SL-ATR, indicating the party responsible for each.

6.2 Allocation procedures.

6.2.1 General criteria

The allocation procedures will be those established in the corresponding Detail Protocols of the system technical management rules.

Any change to the allocation procedures will be reported to the users affected at least one month in advance.

The allocation will take place within the deadlines established in section 6.4.

All information and communication about allocations will be sent to the users through the SL-ATR system.

Users will be able to appeal the measurements and allocations in accordance with the provisions of the corresponding Detail Protocol.

In this context, allocations will be considered:

– Open: when the deadline for the management of appeals has not yet passed.

– Closed: once the deadline established for the management of appeals has passed.

6.2.2 Allocation at transmission network entry points (PCI, PCAS, PCY and PCPR).

At these points, a single allocation will take place - the daily allocation (d+1 allocation) - on the day after the gas day, which assigns the gas moved on the gas day to the users. This allocation will be based on the nominations and re-nominations of the agents on the gas day, in accordance with the provisions of Detail Protocol PD-11.

These daily allocations (d+1 allocations) will be replicated as m+3 and m+15 allocations at these points.

Accordingly, both the m+3 allocation and the m+15 allocation will coincide with the d+1 allocation.

6.2.3 Allocation at transmission-distribution (PCTD) and distribution-distribution (PCDD) connection points.

At these points the following allocations will take place:

– Provisional daily allocation (d+1 allocation), the day after the gas day, assigning the gas delivered on the gas day to users.

– Final provisional daily allocation (m+3 allocation), before the end of month m+3 with the information available at that time, assigning the gas delivered on each of the gas days of month m to the users.

– Final definitive daily allocation (m +15 allocation), before the end of month m +15 with the information available at that time, assigning the gas delivered on each of the gas days of month m to the users.

These allocations will be performed in accordance with the provisions of Detail Protocol PD-02. For the purposes of the allocation, consumers will be classified as:

– Type 1 consumers with remote measuring: consumers with supply points that have remote measuring equipment, irrespective of their tariff group.

– Type 1 consumers without remote measuring: consumers with supply points with no remote measuring and that are not assigned to fee groups 3.1, 3.2 and 3.3; in turn, they are classified as:

- o Assigned to fee group 3.4.
- o Not assigned to fee group 3.4.

- Type 2 consumers: all other consumers, represented by those consumers with supply points assigned to fees 3.1, 3.2 and 3.3. Finally, for the purpose of calculating these allocations, if there is a distribution network supplied through several PCTDs/PCDDs, they will all be deemed to form a single connection point.

6.2.4 Allocation at connection points between biogas plants and distribution networks (PPBD)

At these connection points, users will be assigned an entry in the PVB calculated by the following expression:

$$\mathbf{User_i\ Allocation\ PPBD = Measure\ PPBD \times\ User_i\ Allocation\ Percentage}$$

Where:

- Measure PPBD: Amount of gas injected into the distribution network from the biogas production plant, in kWh.
- Useri Allocation Percentage: The SL-ATR will have a commercial allocation per user and PPBD connection point, expressed as a percentage. This allocation, which may be different in the provisional daily allocation, final provisional daily allocation and final definitive daily allocation, will be defined in the SL-ATR by the DSO of the distribution network connected to the biogas production plant.

Any modification to the assignment must be notified by the users, sufficiently in advance, to the owner of the distribution network and to the Technical Manager of the System.

At these points the following allocations will take place:

– Provisional daily allocation (d+1 allocation), the day after the gas day, assigning to users of the distribution network the quantity delivered from the biogas production plant on the gas day.

– Final provisional daily allocation (m+3 allocation), before the end of month m+3 with the information available at that time, assigning to users of the distribution network the quantity delivered from the biogas production plant for each of the gas days of the month m.

– Final definitive daily allocation (m +15 allocation), before the end of month m +15 with the information available at that time, assigning to users of the distribution network the quantity delivered from the biogas production plant for each of the gas days of the month m.

6.2.5 Allocation at direct line connection points (PCLD)

The allocation responsible shall identify the users affected by the allocation at each PCLD through the SL-ATR.

At these points, the following allocations will take place:

– Provisional daily allocation (d+1 allocation), performed the day after the gas day, assigning the gas delivered on gas day to the user. This allocation will be made by assigning the amount corresponding to the measurement. If this measurement is not available, the measurement made by the consumer may be used. Failing this, it will be estimated in accordance with the provisions of PD-02 for the estimate of remotely measured consumption when this is not available.

– Final provisional daily allocation (m+3 allocation), performed before

the end of month m+1, which may be reviewed until month m+3 with the information available at that time (consolidated consumption). This allocation assigns the gas delivered on each gas day of month m to the user. The final provisional daily allocation (m+3 allocation) does not need to be sent to the SL-ATR if the party responsible for the allocation does not change the provisional daily allocation (d+1 allocation).

– Final definitive daily allocation (m+15 allocation), performed before the end of month m+15 with the information available at that time, assigning the gas delivered on each gas day of month m to the user. The final definitive daily allocation (m+15 allocation) will not need to be sent to the SL-ATR if the party responsible for the allocation does not change the definitive daily allocation (m+3 allocation).

6.2.6 Allocation at LNG truck cistern loading connection points at regasification plants (PCCC)

At these points, the following allocations will take place:

– Provisional daily allocation (allocation for d+1), performed the day after the gas day, assigning the gas loaded to LNG truck cistern during the gas day among the users that have supply points linked to the truck cistern's satellite plant. Users must have booked capacity at all regasification plants assigned to the satellite plant.

– Final definitive daily allocation (m+1 allocation), completed before the end of month m +1 with the information on the measured quantity, assigning the gas loaded to truck cistern travelling to satellite plants on each gas day of month m among the users. Users must have booked capacity at all regasification plants assigned to the satellite plant. The measured quantity of the load cannot be changed after this allocation. The final definitive daily allocation does or need to be sent to the SL-ATR if the allocation responsible does not change the provisional daily allocation. These allocations will be prepared in accordance with the provisions of PD-12. LNG truck cistern allocations may include, separately, for identification purposes:

– Positive or negative adjustments up or down resulting from the difference between the provisional daily allocation (d+1 allocations) and the final definitive daily distribution (distribution m+1). These adjustments will be calculated by comparing the monthly total of the provisional daily allocations (allocations d+1) for month m and the monthly total of the final definitive daily allocations (allocations m+1)

of the same month. The adjustments calculated in this way will be entered in the provisional daily allocation (d+1 allocation) of the user of month m+2, prorated among all the days of the month.

– Positive or negative adjustments resulting from the detection of errors affecting the provisional daily allocation and not reviewed or appealed, or not resolved in time. In these cases, the party responsible for allocation will include an adjustment for the error in the provisional daily allocation of the day following the error detection and will inform the affected users about it. The maximum period for attribution of this adjustment will be 7 days from the day affected by the error.

– Positive or negative adjustments resulting from the detection of errors in the final definitive daily allocations (allocations m+1) and from the availability of consumption readings in the distribution networks supplied by satellite plants.

This type of adjustment will involve reassignments of the gas loaded between the users sharing the truck cistern, and it will not be possible to change the measured quantity of the load after the final definitive daily allocation (m+1 allocation). The maximum period for the party responsible for the allocation to send these adjustments for month m to SL-ATR will be month m+15. They will be calculated by comparing the new allocation prepared by the party responsible for the allocation with the new information available and the final definitive daily allocation (m+1 allocation). The adjustments calculated in this way will be entered in the provisional daily allocation (d+1 allocation) of the user of the month following its transmission to SL-ATR, prorated among all the days of the month.

If a user has adjustments pending allocation, but will not continue to have allocations, it can agree with another user to apply these allocation adjustments to the latter. This agreement will be reported by both parties to the Technical Manager of the System and the party responsible for the allocation a minimum of 7 days in advance of the initial date of application of the adjustment to the new user.

6.2.7 Allocation at tanker loading and unloading points (PCDB).

At these points, the following allocations will take place:

– Provisional daily allocation (d+1 allocation), the day after the gas day, based on the calculation of the net energy loaded or unloaded, assigning the loaded or unloaded gas to the user on the gas day.

– Final definitive daily allocation (allocation m +1), performed before the end of month m +1, once the calculation of the loaded or unloaded energy is available, assigning the loaded or unloaded gas on each gas day of month m to the user. The final definitive daily allocation (m+1 allocation) do not need to be sent to the SL-ATR if the party responsible for the allocation does not change the provisional daily allocation (d+1 allocation).

When the tanker is shared by several users, sufficiently in advance of the start of loading or unloading, the users involved shall report the allocation criteria freely agreed between them through the SL-ATR. This criteria must ensure the full allocation of the quantities measured in terms of energy, and a user of any remainder must always be defined.

The net loaded or unloaded energy and the associated supply loss will be calculated based on the provisions of Detail Protocol PD-05. If the above calculation is not available, the amount to be entered via the SL-ATR by the party responsible shall be obtained with the best available information from among:

a) For loading tankers:

– Calculation taking account of data estimated by the terminal, both for the loaded volume and for the quality of the LNG.

– Calculation taking account of the loaded volume and the quality of the LNG.

– Data of the gross amount loaded and an estimate of supply loss.

b) For unloading tankers:

– Calculation taking account of the volume and quality of LNG unloaded and an estimated boil-off quality.

– Calculation taking account of the unloaded volume and an estimated LNG quality.

– Calculation taking account of the unloaded volume and the quality of the LNG at origin.

– Calculation taking account of the source data on volume and quality of the LNG.

The allocations of tanker loading and unloading may include, separately, for their identification, positive or negative adjustments resulting from the difference between the provisional daily allocation

(d+1 allocations) and the final definitive daily distribution (m+1 allocation).

These adjustments will be calculated by comparing the monthly accumulation of the provisional daily allocations (d+1 allocations) for month m and the monthly total of the final definitive daily allocations

(m+1 allocations) of the same month. The adjustments calculated in this way will be entered in the provisional daily allocation (d+1 allocation) of the user for month m+2, pro-rated by all the days of the month.

Notwithstanding the foregoing, in the event of detection of an error affecting the provisional daily allocation that is not reviewed or appealed or, if reviewed or appealed is not resolved in time, the party responsible for the allocation shall include an adjustment corresponding to the error in the provisional daily allocation of the day following the detection of the error and shall inform the affected users. The maximum period for attribution of this adjustment will be 7 days from the day affected by the error.

Additionally, if the correction to be made to the provisional daily distribution of the user, or users, for a shared tanker, exceeds 20,000,000 kWh, the correction will be made on the allocation for the gas day affected. Likewise, the maximum period for attribution of this adjustment will be 7 days from the day affected by the error.

If a user has adjustments pending allocation, but will not continue to have allocations, it can agree with another user to apply these allocation adjustments to the latter. This agreement will be reported by both parties to the Technical Manager of the System and the party responsible for the allocation a minimum of 7 days in advance of the initial date of application of the adjustment to the new user.

6.3 Exceptional matching procedure for allocation at PCTD and PCDD.

Every allocation responsible will assign the net amount measured by the party responsible for measuring transmitted gas. However, if - exceptionally - the amount allocated and sent to the SL-ATR by an allocation responsible does not match the amount to be allocated logged via the SL-ATR, the Technical Manager of the System may use the following procedures to match both amounts.

– d+1 allocations. The exceptional allocation matching procedure described in Detail Protocol PD-02.

– m+3 and m+15 allocations. The allocations will be rejected and the allocation responsible will be informed, so that they can be corrected within the periods set forth in section 6.4. Deliveries that have undergone an exceptional allocation matching process shall be identified via the SL-ATR.

6.4 Periods for preparation of allocation.

The preparation of the allocations shall follow the calendars set out in the following sections.

For allocations m+1, m+3 and m+15, if any of the milestones established in the calendars fall on a Saturday, Sunday or public holiday, it will be postponed to the immediately following working day. Before 15 December each year, the Technical Manager of the System will publish the schedule of the m+1, m+3 and m+15 allocation process of the following year, in order to identify and rectify possible inconsistencies in the transmission and publication of this information. In any event, m+1, m+3 and m+15 allocations, already closed, must be published via the SL-ATR before the end of months m+1, m+3 and m+15 respectively.

6.4.1 d+1 allocation.

– Within 4 hours of the closure of gas day d, the measurement managers shall provide, through the SL-ATR, the gas day measurement at the allocation points to the operators that need it to be able to perform the allocation (transmission of messaging files of emissions to the SL-ATR).

– Within 4 hours and 15 minutes of the closure of the gas day, the allocation responsible shall receive the measurements to be delivered (transmission of messaging files from the SL-ATR with the quantities to be delivered).

– Within 6 hours and 15 minutes of the closure of the gas day, the allocation responsible shall report the allocations for day d in their facilities to the Technical Manager of the System (transmission of messaging files with the quantities to be delivered to the SL-ATR).

– Within 6 hours and 30 minutes of the closure of the gas day, the SL-ATR shall publish the information of the allocation.

– Within 7 hours and 45 minutes of the closure of the gas day, the users, the Technical Manager of the System or the operators shall request a revision of the provisional daily allocation for day d+1.

– Within 7 hours and 45 minutes of the closure of the gas day, the parties responsible for the measurement shall report the revisions of the measurements to be changed from the initial transmission, through the SL-

ATR.

– Within 8 hours of the closure of the gas day, the allocation responsible shall receive the new measurements to be delivered, if any (transmission of messaging from the SL-ATR with the new quantities to be delivered).

- Within 9 hours of the closure of the gas day, the allocation responsible shall revise and recalculate the allocation for day d, if necessary, and shall report the result of this revision through the SL-ATR.

– Within 9 hours and 30 minutes of the closure of the gas day, the SL-ATR shall publish the d+1 allocation. Additionally, and only for information about allocations at the tanker loading or unloading points (PCDB): - Within 13 hours of the closure of the gas day the users may request a revision of the d+1 allocation.

– Within 13 hours and 30 minutes of the closure of the gas day, the allocation responsible shall revise and recalculate the allocation of day d, if necessary, and shall report the result of this revision through the SL-ATR.

– Within 14 hours of the closure of the gas day, the SL-ATR shall publish the new provisional daily allocation for PCDB. The requests for revision of the provisional daily d+1 allocation shall be sent automatically through the SL-ATR to the Technical Manager of the System and to all the users whose d+1 allocation might be affected. Likewise, they will be notified of the result of the revision.

6.4.2 m+1 allocation.

– Before the end of day 10 of each month m+1, those responsible for the measurements at PCCC and PCDB points shall send the daily measurements for month m to the SL-ATR as final definitive m+1 measurements and the m+1 allocations for month m at said points.

Before the end of day 11 of month m+1, the SL-ATR will make the information indicated in the previous point available to the users.

– Before the end of day 21 of each month m+1, users, operators and the Technical Manager of the System may request a revision of the m+1 allocations.

– Before the end of day 27 day of month m+1, those responsible for the measurements and allocations may send daily rectifications to them for month m.

– Before the end of day 28 of month m+1, the SL-ATR will publish the m+1 allocations for month m and the resulting adjustments to appear in the users' allocations for month m+2.

6.4.3 m+3 allocation.

– Before the end of day 25 of month m+1, the allocation responsible at PCLD will send daily detailed information to the SL-ATR on the allocation for month m, with details provided by day. This does not need to be sent to the SL-ATR if the allocation responsible does not change the provisional daily allocation.

– Before the end of day 28 of each month m+1, the SL-ATR shall publish the allocation at PCLD points.

– Before the end of day 5 of month m+3, the party responsible for measuring at PCTD, PCDD and PPBD points shall send the measurement for each of the days of month m as the provisional final measurements m+3 to the SL-ATR. This information does not need to be sent if the party responsible for the measurement does not change the previously sent measurement.

– Before the end of day 6 of month m+3, the SL-ATR shall provide the allocation responsible with the provisional final daily measurements m+3 for month m at each PCTD, PCDD and PPBD. Before the end of day 15 of each month m+3, the allocation responsible at PCTD and PCDD will send the m+3 allocations to the SL-ATR.

– Before the end of day 15 of each month m+3, the allocation responsible at PPBD will send the allocation percentages of each PPBD to the SL-ATR. These percentages will be used in the calculation of the allocation of each of the days of month m. This sending will not be necessary if the allocation responsible does not modify the allocation percentage previously communicated to the SL-ATR.

– Before the end of day 16 of each month m+3, the SL-ATR shall publish the m+3 allocations of month m at PCTD, PCDD and PPBD points.

– Before the end of day 22 of each month m+3, users, operators and the Technical Manager of the System may request a revision of the m+3 allocation at PCTD, PCDD, PPBD and PCLD points.

– Before the end of day 23 of each month m+3, those responsible for the measurements may send daily rectifications of the same at PCTD, PCDD and PPBD for month m.

– Before the end of day 24 of month m+3, the SL-ATR will provide the allocation responsible with the new rectified measurements at the PCTD, PCDD and PPBD, if any.

– Before the end of day 27 of each month m+3, the allocation responsible at PCTD, PCDD and PCLD shall send the allocations m+3 for each day of month m to the SL-ATR. The allocation responsible may also send to the SL-ATR the

revisions of the allocation percentages in each PPBD. It will not be necessary to send these if the allocation responsible does not make any revisions to the allocations already reported before the end of day 15 of month m+3.

– Before the end of day 28 of each month m+3, and once all the m+3 allocation information for PCTD, PCDD, PPBD and PCLD points is made available, the SL-ATR shall publish these closed daily m+3 allocations for month m.

6.4.4 Allocation m+15.

– Before the end of day 1 of each month m +15, the party responsible for measurement at PCTD, PCDD and PPBD points shall send the measurement for each of the days of month m as the final definitive measurement to the SL-ATR. Once the deadline arrives, if the allocation responsible have not updated the final provisional daily allocation m+3 for one of the days of month m, the final definitive daily allocations for m+15 shall be taken as the final provisional daily allocations for m+3.

– Before the end of day 2 of month m +15, the SL-ATR shall provide the allocation responsible with the final definitive daily measurements m+15 of month m at each PCTD, PCDD and PPBD.

– Before the end of day 5 of month m+15, the responsible for measurement shall send to the SL-ATR the rectifications with the final definitive daily measurement corresponding to month m at PCTD,PCDD and PPBD point.

– Before the end of day 6 of month m +15, the SL-ATR shall provide the allocation responsible with the final definitive daily measurements m+15 for month m at each PCTD, PCDD and PPBD.

– Before the end of day 14 of each month m+15, the allocation responsible at PCTD, PCDD and PCLD shall send the final definitive daily allocations m+15 for all the days of month m to the SL-ATR. Once the deadline arrives, if the allocation responsible have not updated the m+3 allocation for one of the days of month m, the m+15 allocation shall be taken as the m+3 allocation.

– Before the end of day 14 of each month m+15, the allocation responsible at PPBD will send the allocation percentages of each PPBD to the SL-ATR. These percentages will be used in the calculation of the allocation of each of the days of month m. This sending will not be necessary if the allocation responsible does not modify the allocation percentage previously communicated to the SL-ATR in the month m+3.

– Before the end of day 15 of each month m+15, the SL-ATR shall publish

the m+15 allocations for month m at all PCTD, PCDD and PPBD points.

– Before the end of day 24 of each month m+15, users, operators and the Technical Manager of the System may request a revision of the m+15 allocation at PCTD, PCDD, PPBD and PCLD points.

– Before the end of day 27 of each month m+15, the allocation responsible at PCTD, PCDD and PCLD shall send the m+15 allocations for each day of month m to the SL-ATR. This does not need to be sent if the allocation responsible does not make any revisions to the allocations already reported before the end of day 15 of month m+15. The allocation responsible may also send to the SL-ATR the revisions of the allocation percentages in each PPBD.

– Before the end of day 28 of each month m +15, and once all the m+15 allocations of points PCTD, PCDD, PPBD and PCLD have been made available, the SL-ATR shall publish the closed daily m+15 allocations for month m.

6.5 Publication of information of allocation.

Allocation responsible s and the Technical Manager of the System shall provide each agent, via the SL-ATR, with all the necessary information for the reproduction and traceability of the calculation of allocations d+1, m+1, m+3 and m+15

NGTS-07 "Balancing"
7 Balancing

Approved by Resolution of the Directorate General for Energy Policy and Mines of 11 October 2005.

Amended under the Resolution of 8 October 2018 of the Directorate General for Energy Policy and Mines, (B.O.E. 23 October 2018).

7.1 Physical balancing of facilities.

7.1.1 General concepts

Operators of gas system infrastructure facilities must perform, for each gas day, the daily physical balance of the gas that moves through their facilities and send all the information required for the reproduction of the calculations to the SL-ATR on a daily basis.

The physical balancing shall be used by the operator of each instrumental infrastructure facility to:

– Guarantee the correct operation of each infrastructure facility.

– Control, minimise and monitor the volume of supply loss associated with losses, leaks, venting and measurement differences.

– Provide the gas delivered throughout the gas day to users at each facility entry and exit point.

Physical balancing relating to regasification, underground storage and transmission network facilities will be supervised by the Technical Manager of the System, who will determine their scope and frequency, as well as the level of detail, based on their impact on the operation of the System. This information will be used by the Technical Manager of the System to guarantee the correct operation of the system as a whole.

7.1.2 Calculation of physical balancing.

The physical balancing for each facility will be calculated using the measurements made at the different measurement points of the gas system, including the measurement of stock and self- consumption. The measurement and allocation points of the system are established in NGTS-06. The Technical Manager of the System will publish an updated list of those responsible for measuring the gas transmitted at each of the measurement points of the gas

system via the SL-ATR.

7.1.2.1 Balancing at regasification plants.

Balancing will be calculated at each facility using the following expression:

Initial stock + Inputs = Outputs + Final stock + self-consumption + Real supply loss

Where:

– Initial stock: initial LNG stock in tanks at the regasification plant at the start of the first gas day of the period in question, in kWh.

– Inputs: unloading of tankers during the period in question, in kWh.

– Outputs: loading of tankers, regasification, loading of LNG truck cistern, bunkering (gassing up and cooling down) during the period in question, in kWh.

– Final stock: final LNG stock in tanks at the plant at the end of the final gas day of the period in question, in kWh.

– Self-consumption: gas consumption at the plant during the period in question, in kWh. These are ascertained using measuring equipment installed for this purpose.

– Real supply loss: supply reduction that occurs at the plant during the period in question, in kWh. This are calculated using the above equation.

7.1.2.2 Balancing in transmission networks.

Balancing will be calculated for the set of transmission networks held by each holder, using the following formula:

Initial stock + Inputs = Outputs + Final stock + Self-consumption + Real supply loss

Where:

– Initial stock: initial stock in the set of transmission networks held by the holder at the start of the first gas day of the period in question, in kWh.

– Inputs: gas flowed into the set of transmission networks held by the holder of the regasification plants, storage facilities, gas production field,

interconnections points, biogas production points and transmission-transmission connections points (PCTT), in kWh.

– Outputs: offtakes from the set of transmission networks held by the holder to connection points with direct lines (PCDL), underground storage facilities, interconnection points, transmission-distribution connection points (PCTD) and transmission-transmission connection points (PCTT), in kWh.

– Final stock: final stock in all of the transmission networks of the owner at the end of the final gas day of the period in question, in kWh.

– Self-consumption: consumption of gas in the normal operation of the equipment of the facilities of the set of transmission networks held by the holder during the period in question, in kWh. These are ascertained using measuring equipment installed for this purpose.

- Real supply loss: supply loss occurring in the set of transmission networks held by the holder during the period in question, in kWh. This is calculated using the above equation.

7.1.2.3 Balancing in underground storage facilities.

A balance will be calculated per facility, in accordance with the following expression:

Initial stock + Inputs = Outputs + Final stock + Self-consumption + Real supply loss

Where:

– Initial stock: initial stock in the underground storage facility at the start of the first gas day of the period in question, in kWh.

– Inputs: injection into the underground storage facility from the transmission network, in kWh.

– Outputs: withdrawal from the underground storage facility to the transmission network, in kWh.

– Final stock: final stock in the underground storage facility at the end of the final gas day of the period in question, in kWh.

– Self-consumption: gas consumption in the underground storage facility during the period in question, in kWh. This is ascertained using measuring equipment installed for this purpose.

– Real supply loss: supply reduction occurring in the underground storage facility during the period in question, in kWh.

7.1.2.4 Balancing in the distribution network.

Balancing will be calculated for the set of transmission networks held by each

holder, using the following formula:

Inputs = Outputs + Real supply loss

Where:

– Inputs: gas flowed into the set of transmission networks held by the holder from the transmission network (PCTD), distribution networks of other shippers (PCDD) and inputs at connection points between biogas production plants and distribution networks (PPBD), in kWh.

– Outputs: gas offtakes to the set of transmission networks held by the owner from connection points with the distribution networks of other shippers (PCDD) and consumption points, in kWh.

– Real supply loss: supply loss occurring in the set of transmission networks held by the holder during the period in question, in kWh.

7.1.3 Measurement reporting calendar

Measurements for the allocation points will be reported in accordance with the programming established in regulation NGTS-06.

The following information will also be reported:

– Within 4 hours of the closure of gas day d, the measurements at PCI, PCY, PCAS, PPBD, PCPR and PCTT points will be sent to the SL-ATR. Additionally, stock measurements in the transmission networks and regasification plants of each holder will be sent to the SL-ATR, as well as the self-consumption at all facilities. All these measurements can be revised by the operator within 7 hours and 45 minutes of the close of the gas day.

– Before the end of day 10 of each month m + 1, those responsible for the measurements at PCPR and PCAS points shall send the daily measurements for month m to the SL-ATR. Additionally, the final measurements of LNG stock in the tanks of each regasification plant will be sent to the SL-ATR, as well as the self-consumption measurements of regasification plants and underground storage facilities for each day of month m. This does not need to be sent if the party responsible for the measurement does not change the measurement sent on the day after the gas day.

– Before the end of day 10 of each month m + 1, those responsible for the measurements at PCI and PCY points shall send the daily measurements for month m to the SL-ATR. Additionally, measurements of the daily stock and self-consumption in the transmission networks of each holder will be sent to the SL-ATR. It will not be necessary to send this if the party responsible for the measurement does not change the measurement sent on the day after the gas day.

– Before the end of day 25 of each month m+1, those responsible for measurement at PCTD, PCDD, PPBD and PCTT points shall send the daily detailed measurement for each of the days of month m to the SL-ATR.

– Before the end of day 28 of each month m+1, the SL-ATR shall publish the final provisional daily measurements at PCTD, PCDD, PPBD and PCTT points.

– Before the end of day 22 of each month m+3, operators and the Technical Manager of the System may request a revision of the measurements of PCI, PCY, PCTD, PCDD, PPBD and PCTT.

– Before the end of day 1 of each month m+15, the party responsible for measuring at PCI, PCY and PCTT points shall send the measurement for each day of month m. Furthermore, the measurements of reserves in the transmission networks of each holder will be sent to the SL-ATR. It will not be necessary to send this if the party responsible for the measurement does not change the measurement sent on the day after the gas day.

7.2 Individual user balancing.

7.2.1 General concepts

The Technical Manager of the System will produce individual balancing for each and every one of the users of the gas system facilities. This balancing will contain all the information related to user allocations and stock level and will be made available to them through the SL-ATR.

Individual user balancing will be performed at each regasification plant, at the Virtual Balance Point (PVB), at the PVB storage and at all underground storage facilities.

Balancing will be considered:

– Open: when the deadline established for the management of user allocation appeals has not yet passed.

– Closed: once the deadline established for the management of user allocation appeals has passed.

7.2.2 Individual user balancing at regasification plants

At regasification plants, for each user present, a final daily balance for the gas day (d+1 balance) will be performed on the day after the gas day with the information of the d+1 allocations at PCDB, PCCC and PCPR allocation points contained via the SL-ATR. This balance will be calculated according to the following formula:

Final daily stock = Initial daily stock + Inputs
- Retained supply loss - Output + Purchase-sale operations

Where:

– Final stock: final user LNG stock in tanks at the plant at the end of the gas day, in kWh.

– Initial stock: initial user LNG stock in tanks at the plant at the start of the gas day, in kWh.

- Inputs: d+1 allocation to the user at PCDB points when its value is positive and d+1 allocation at PCPR points when there is a gas offtake from the PVB to a regasification plant, in kWh.

– Outputs: d+1 allocation to the user at PCDB points when its value is negative, d+1 allocation at PCPR points when there is a gas offtake from the plant to the PVB and d+1 allocation at PCCC points, in kWh.

– Retained supply loss: current accepted supply loss for the operations performed, in kWh. Supply loss in LNG tanker loading operations shall correspond to the actual supply loss associated with this operation.

– Buying and selling transactions: the user's positive or negative balance obtained through change of ownership transactions for the acquisition or sale of LNG stock in tanks on the gas day.

7.2.3 Individual user balancing at the Virtual Trading Point (PVB).

At the PVB, the following balance will be produced for users with a balance portfolio:

– Gas day provisional daily balance (d+1 balance): performed the day after the gas day, with the information on the d + 1 allocations contained in the SL-ATR.

– Gas day final provisional daily balance (m+3 balance): performed before the end of month m+3, with the information on m+3 allocations contained in the SL-ATR.

– Gas day final definitive daily balance (m +15 balance): performed before the end of month m+15, with the information on the m+15 allocations contained in the SL-ATR.

7.2.3.1 Provisional daily balance d+1

The provisional daily balance d+1 of the user at the PVB shall be calculated according to the following formula:

Inputs - Outputs - Retained supply loss = User imbalance

Where:

– Inputs: the user's d+1 allocation at PCPR, PCY, PCAS, PCI and PPBD points, and user purchases at the PVB on gas day, in kWh.

– Outputs: the user's d+1 allocation at PCI, PCAS and PCPR points when there is a gas offtake from the PVB to a regasification plant, in offtakes from the PVB (for which the allocations at PCTD, PCDD and in PCLD in transmission networks will be taken into consideration), as well as sales by the user at the PVB on gas day, in kWh.

– Retained supply loss: current accepted supply loss due to the use of the transmission network, in kWh. Users will not have stock on their behalf at the PVB at the end of the gas day (imbalance = 0), unless they have acquired a current service for that purpose

– Users will not have stock on their behalf at the PVB at the end of the gas day (imbalance = 0), unless they have acquired a current service for that purpose

7.2.3.2 Final provisional daily balance m+3

The final provisional daily balance m+3 of the user at the PVB shall be calculated according to the following formula:

Inputs - Outputs - Retained supply loss = User imbalance

Where:

– Inputs: the user's m+3 allocation for gas day d at PCPR, PCY, PCAS and PCI and PPBD points, and user purchases at the PVB on the gas day, in kWh.

– Outputs: the user's m+3 allocation for gas day d at PCI and PCAS points and at PCPR points when there is a gas offtake from the PVB to a regasification plant, m+3 allocation in offtakes from the PVB (for which the allocations at PCTD, PCDD and PCLD in transmission networks will be taken into consideration), as well as sales by the user at the PVB on gas day, in kWh.

– Retained supply loss: current accepted supply reduction due to the use of the transmission network, in kWh.

7.2.3.3 Final definitive daily balance m+15.

The final definitive daily balance m+15 of the user at the PVB shall be calculated according to the following formula:

Inputs - Outputs - Retained supply loss = User imbalance

Where:

– Inputs: the user's m+15 allocation for gas day d at PCPR, PCY, PCAS and PCI and PPBD points, and user purchases at the PVB on gas day, in kWh.

– Outputs: the user's m+15 allocation for gas day d at PCI and PCAS points and PCPR points when there is a gas offtake from the PVB to a regasification plant, m+15 allocation in exits from the PVB (for which the allocations at PCTD, PCDD and PCLD in transmission networks will be taken into consideration), as well as sales by the user at the PVB on gas day, in kWh.

– Retained supply loss: current accepted supply reduction due to the use of the transmission network, in kWh.

7.2.4 Individual user balancing at underground storage facilities.

For the set of all underground storage facilities, for each user present in those facilities, a final daily balance for the gas day (d+1 balance) will be performed on the day after the gas day with the information on the d+1 allocations at the PCAS allocation points contained via the SL-ATR. This balance will be calculated according to the following formula:

Final daily stock = Initial daily stock + Inputs
- Outputs + Purchase-sale transactions

Where:

– Final stock: final user NG stock in the set of all underground storage facilities at the end of the gas day, in kWh.

– Initial stock: initial user NG stock in the set of all underground storage facilities at the start of the gas day, in kWh.

– Inputs: d+1 allocation of the user at PCAS points, in kWh.

– Outputs: d+1 allocation of the user at PCAS points, in kWh.

– Purchase-sale transactions: the user's positive or negative balance obtained through change of ownership transactions for the acquisition or sale of NG stock in the set of all underground storage facilities on the gas day, either through bilateral operations, or through operations involving multiple users of underground storage facilities.

7.2.5 Calendar for the preparation of individual user balances

The preparation of individual user balances will adhere to the following calendars

– d+1 balancing at the PVB and underground storage facilities: The Technical Manager of the System will publish the provisional daily d+1 balance via the SL-ATR within 9 and a half hours of the end of the gas day.

– d+1 balancing at regasification plants: The Technical Manager of the System will publish the final daily d+1 balance via the SL-ATR within 14 hours of the end of the gas day. This balance may be modified during the following 7 days in accordance with the provisions of section 6.2.6 of NGTS-06.

– m+3 balancing: the Technical Manager of the System will publish the final provisional daily balance m+3 for month m via the SL-ATR on the first day of month m+4.

– m+15 balancing: the Technical Manager of the System will publish the final

definitive daily balance m+15 for month m via the SL-ATR on the first day of month m+16. For m+3 and m+15 balancing, if any of the milestones established in the relevant calendars fall on a Saturday, Sunday or public holiday, it will be postponed until the next working day.

Before 15 December each year, the Technical Manager of the System will publish the calendar of the m+3 and m+15 balancing process for the following year, in order to identify and rectify possible inconsistencies in the milestones for transmission and publication of this information.

7.3 Publication of information on balancing.

The Technical Manager of the System shall provide each agent, via the SL-ATR, with all the necessary information for the reproduction and traceability of the calculation of the d+1, m+1, m+3 and m+15 daily balancing.

NGTS-08 "Maintenance plans"
8 Maintenance Plan

8.1 Maintenance and servicing.

Maintenance includes all inspection, control, servicing and/or repair activities aimed at maintaining the gas system's facilities in optimum safety and operating conditions. The maintenance may be preventive or corrective, with the latter being planned or unplanned. Emergencies may trigger unplanned corrective maintenance. Other than for manifest technical impossibility, all maintenance planning will be performed taking account of the requirement to maintain continuity of service and the annual tanker unloading programming.

DSO's and gas transmission companies must always maintain supply to the consumers connected to their networks, although maintenance, repairs, replacements or expansion of facilities may mean that they temporarily cut supply in accordance with the provisions of current legislation.

In order to assess and reduce, if applicable, the consequences of the planned work, the parties involved may agree on the most convenient course of action, when possible, from a technical, operational and safety point of view.

If several parties are simultaneously engaged in work that may affect the Basic Network or secondary transmission network, or if there is a lack of consensus on maintenance plans, the Technical Manager of the System will propose the best possible solution and report it to all parties involved and, where appropriate, to the Directorate General of Energy Policy and Mines and the National Energy Commission.

8.2 Maintenance planning.

The operators of the transmission and distribution facilities shall have their own maintenance plans. The plan will cover one gas year.

8.3 Impacts of the maintenance plan.

The maintenance plan may have the following main impacts:

- Planned supply cuts in the Basic Network and in the secondary transmission network.
- Restrictions on gas system entry points.
- Restrictions on gas system exit points.
- Flow restrictions: specific pressure and flow conditions.

- Capacity restrictions in the gas system.

In the case of special operations requiring certain flow conditions, users, gas transmission companies or DSO's may be asked to collaborate in order to achieve these pressure and flow conditions to minimise the duration of the modification or supply cut.

8.4 Information provided on the maintenance plan to other parties.

The operators of the Basic Network and transmission network shall draft, before 1 November, the programming of activities that require or may cause operational restrictions in their facilities for the following year. This will list, at least:

- Type of servicing or maintenance.
- Facility.
- Consumers and other parties affected.
- Proposed date and estimated duration.
- Impacts on operation and supply.

On the first business day of November, the gas transmission companies will send their maintenance plans to the Technical Manager of the System.

Before 22 November, the Technical Manager of the System will confirm the viability of the maintenance plans submitted by the gas transmission companies or, if applicable, present the necessary amendments to be made to the maintenance plans submitted.

Before 30 November, the operators of the Basic Network and the secondary transmission network will notify the parties affected of the proposed maintenance operations during the following financial year.

In any case, two weeks before the start of each maintenance or servicing, the operators of the transmission and distribution networks will again inform the parties affected.

8.5 Amendments to the maintenance plan.

The parties involved will be notified as soon as possible of any amendment to the maintenance plan.

If the maintenance plan is amended, for justified reasons, within 30 days of the planned date, the affected parties may submit the alternative dates; in all cases, these must be agreed between the parties.

NGTS-09 "Normal operation of the system"

9 Normal operation of the system

9.1 General considerations on the use and operation of the system.

The Technical Manager of the System will have the necessary operative procedures available to carry out the assigned functions, based on the information provided by the parties making use of the system, through the programming, nominations and established allocations, as well as demand forecasts. Based on this information, the Technical Manager of the System will prepare the following operational documents:

Gas supply and demand forecast for the year with monthly detail, breaking down gas flows into and out of the system, operation of regasification plants and management of storage facilities, with identification of possible gas surpluses or deficits in the system and for each of the affected parties.

This forecast shall be updated as many times as required by the situation of the system and shall take account of the latest information provided by the parties.

Operational plan with daily detail and monthly scope on the operation of all transmission facilities, grouping together the information received through the gas transmission companies' programming and nominations. At minimum, it will list the organisation of all gas flowed into the system, gas movement within regasification plants and storage facilities, a breakdown of supplies and inventory levels and the autonomy of the system.

This plan will be updated as and when required by the situation of the system, taking account of the information on predicted or programmed maintenance affecting the capacity of the system's facilities, as well as the latest information provided by the parties.

Additionally, transmission and distribution network operators will draft their operational plans on an annual basis for the following year. This procedure will define the criteria for operation and action in the event of any circumstances arising in the different transmission and distribution networks in order to guarantee that supply conditions are adequate.

For the above purposes, the parties affected will be identified and notified of system restrictions affecting annual, monthly or daily operation and the relevant measures will be taken to remove or minimise the impacts of these restrictions. These restrictions will be reported to the Ministry of Industry, Tourism and Commerce, the National Energy Commission and the Autonomous Communities affected in cases deemed to be of particular significance by the Technical Manager of the System.

These restrictions will be determined by facility based on:

- Capacity.
- Usage factor.
- Design conditions.
- Security limits, including (at minimum) fill level and backup equipment.
- Seasonality.

The Technical Manager of the System will publish the following aggregate information in an accessible way for the system parties:

- Actual and forecast daily demand curves with hourly detail (actual and forecast).
- Forecast monthly demand in the conventional market with daily detail, before the 20th of the previous month.
- Updates to demand forecasts in response to significant variations.
- Actual demand met by days elapsed and monthly total.
- Actual demand met by months elapsed and yearly total.
- Winter gas demand cover plan.
- Annual scheduling for the use of tanker unloading windows at regasification plants.
- Aggregate level of planned LNG stock, underground storage facilities and commercial operative storage in the transmission pipeline network and gas flows into the transmission network on a monthly basis with daily detail, based on the latest viable programming.
- Plant usage levels, including historical trends and future forecasts.

9.2 Normal Operation of the System.

It will be understood that the gas system is in a Normal Operation situation when the basic control variables are within the normal operating ranges of the system.

The basic control variables that determine the state of the gas system are:

- gas demand,
- available natural gas capacity in gas flowed into the system, both as natural gas (NG) and liquefied natural gas (LNG),
- the operativity of the gas system plants for LNG receipt, storage and regasification and of the compressor stations, the flow at system hubs and
- overpressure or pressure losses in gas pipelines and transmission and distribution networks that are critical for the gas system.

The Technical Manager of the System will propose the operating procedure for the calculation of the admissible ranges for the control variable values in order to define the current situation in the system, for inclusion as a Detail Protocol to these rules.

In the normal operation of the Basic Network and the secondary transmission network, the directions and instructions provided by the Technical Manager of the System to the different parties will be based on the operating procedures defined in 11.1, taking account of technical constraints and in accordance with any established criteria regarding reliability and security of supply.

Any alteration to the expected operating conditions - or any emergencies that may arise - may trigger a review of the monthly plan and result in changes to the originally issued operating instructions. Should these alterations affect any of the parties, they will be informed of the scope of the changes as soon as possible, with due justification, in order to minimise their impact on the affected supplies.

In order to guarantee the correct operation of the Basic Network and the secondary transmission network and to monitor daily operations, the infrastructure operators and the Technical Manager of the System shall have access to a system of communications, monitoring, information management and simulation tools, operational 24 hours a day.

In order for the Technical Manager of the System to be aware at all times of the state of the system, the different operators of the transmission facilities will provide daily reports on the physical movement of the gas moved through

their facilities on the previous day. Likewise, to be able at all times to manage any exceptional operation or emergency situations, the Technical Manager of the System must continuously receive, in real time, the main parameters of all gas flowed into the system, and of the connection points between the different transmission networks.

The Technical Manager of the System will draft a daily operational report, including forecasts and utilisation of the regasification and storage facilities, international connections and, generally, the operation of all the Basic Network and secondary transmission network facilities performed by their different holders or, if necessary, providing instructions with the operational changes to those facilities considered suitable for the proper operation of the system. This report will be sent to the Ministry of Industry, Tourism and Commerce and to the National Energy Commission within a maximum of three days.

The Technical Manager of the System, in collaboration with the other parties involved, shall draft a winter action plan to guarantee supply in response to increased demand due to seasonality of the domestic/commercial market and sudden cold snaps.

This plan may include the following measures:

- Reserving entry capacity at interconnections with international pipelines.
- Setting of minimum safety stock quantities to be maintained in liquefied natural gas tanks and underground storage facilities.

The details of the action plan will be approved by the Directorate General of Energy Policy and Mines and published before 15 October each year.

The Technical Manager of the System will be tasked with providing the necessary instructions for the proper operation of the system in Normal Operation, and may issue the corresponding instructions for application to gas transmission companies, DSO's, shippers and self-supplying consumers.

Gas transmission companies, DSO's, shippers and qualified self-supplying consumers will be responsible for the full implementation of the instructions issued by the Technical Manager of the System. In the event of failure to comply with these instructions, the Technical Manager of the System will inform the Ministry of Industry, Tourism and Trade and the National Energy Commission, for the corresponding assignment of responsibilities, if applicable, in accordance with the provisions of Title VI of the Hydrocarbons Sector Law.

9.3 Publication of information on the Normal Operation of the system.

The Technical Manager of the System will publish, before 14:00 the day after the gas day, the following aggregate information for the gas day:

On gas demand, in GWh/day:

- Total system demand, distinguishing between demand for the regulated and liberalised markets.

On gas stock in the system:

- Actual LNG stock at each regasification plant at 24:00 h, in m³ and GWh/day.
- Total gas stock in underground storage facilities.

On gas flows into the gas system, in GWh/day:

- Total flows into the system.
- LNG unloading at each regasification plant.
- Gas emission from each regasification plant.
- Gas inflows or offtakes at each international connection, identifying separately the quantities destined for international transit.
- Injection/withdrawal from underground storage facilities.
- Gas production for each gas production field.

9.4 Individual imbalances.

A user of the gas system will be considered to be in an individual imbalanced situation when its gas stock level in the system is not within the margins of tolerance established in the System Technical Management Rules.

Section 9.4 of System Technical Management Rules NGTS-9 "Normal operation of the system" of the annex amended by the first section of the Res. of 18 October 2007 of the Directorate General of Energy Policy and Mines, amending sections 9.4 "Individual imbalances" and 9.6 "Measures to be adopted in the event of an imbalance", included in the System Technical Management Rules NGTS-9 "Normal operation of the system" (B.O.E. 7 November).

Valid from: 8 November 2007

In accordance with Section Five of the resolution of 7 February 2013, amended by the resolution of 30 April 2013. "From the entry into force of this resolution, all references to "n+2" balancing or allocation in the System Technical Management Rules or in its Detail Protocols shall be understood to refer to the daily balance or allocation. Valid from: 1 July 2013

9.5 Measures to be taken by the user if an imbalance is predicted.

If a user predicts that it will enter a situation of imbalance, it will use one of the following instruments:

- Gas purchase/sale transactions with other system users.
- Amendment of planned programming and nominations.
- Exercise the interruptibility clauses with those customers with whom it has signed interruptible supply contracts.
- Negotiate voluntary supply interruptions with its steady customers.
- Negotiate with other users to exercise the interruptibility clauses of third-party customers.
- Use capacities available in underground storage facilities.

The user shall report the measures taken to the Technical Manager of the System, who shall assess their adequacy and suitability for the nature of the situation.

Consumers who supply themselves directly must regulate their consumption in order to be able to correct their own imbalances. When the imbalance is caused by unplanned unavailability at a facility, the procedure established in the NGTS for Exceptional System Operation will apply.

9.6 Economic measures and charges applicable to users in a situation of gas imbalance in the gas system.

Sections 9.6.1, 9.6.2, 9.6.4, 9.6.5 and 9.6.6 of the Technical System Management Rules NGTS-09 "Normal Operation of the System" are amended and section 9.6.7 of NGTS-09 is deleted. NGTS-09 was approved by Order ITC/3126/2005 of 5 October, which approves the gas system technical management rules in the wording given by the

Section 9.6 of Technical System Management Rule NGTS-9 "Normal operation of the system" of the annex drafted by the first section of Res. of 18 October 2007 of the Directorate General of Energy Policy and Mines, amending sections 9.4 "Individual imbalances" and 9.6 "Measures to be adopted in the event of an imbalance" included in Technical System Management Rule NGTS-9 "Normal operation of the system" (B.O.E. 7 November).

Valid from: 8 November 2007

Order IET/2355/2014 of 12 December 2014, which establishes compensation for the regulated activities of the gas sector for the second period of 2014. (B.O.E. 16 December 2014.
Valid from: 01 May 2015
Order IET/2736/2015 of 17 December 2015, which establishes the fees and payments tied to third-party access to gas facilities and compensation for regulated activities for 2016. (B.O.E. 18 December 2015) amends sections 9.6.2 and 9.6.4
Valid from: 01 January 2016 (to 01 October 2016)

9.6.1 Types of individual imbalances.

Users of the gas system must maintain their gas stock levels in the system within the tolerance margins established in the System Technical Management Rules.

The benchmark balance for ascertaining individual imbalance shall be the daily balance ("n+1" balance) once the discrepancy period has closed.

Subsequent regularisation shall not affect the benchmark balance for the calculation of imbalancing. For the calculation of imbalancing, the applicable contracted daily capacity of the user will be taken into account each day.

There are 4 types of imbalance:

- Excess gas in commercial operative storage in the pipeline network (Commercial Operation Storage).
- Excess LNG at regasification plants.
- Lack of gas in commercial operative storage in the pipeline network.
- Lack of gas at a regasification plant.

When a system user is in an imbalance situation, the financial charges described in the following sections will apply, taken as payable revenue.

The Technical Manager of the System will bill for the financial charges due to on imbalance situations, except where there is a lack of LNG at a regasification plant (9.6.4), which will be billed for by the plant holder.

The financial charges described in this section for situations of imbalance are understood without prejudice to any possible declaration of levels of Exceptional Operating Situation (EOS), as well as possible liabilities incurred by users in imbalance, with the Technical Manager of the System acting in accordance with the provisions of the System Technical Management Rules

for approval of the viability of its future programming and nominations, to minimise the impact on the system and restore it to normal operation as quickly as possible.

Users and gas transmission companies will be able to find the relevant information through the SL-ATR.

9.6.2 Imbalance due to excess gas in commercial operative storage in the pipeline network (Commercial Operation Storage).

A user is deemed to be in imbalance due to excess gas in commercial operative storage in the pipeline network (AOC) when their AOC stock exceed the operating storage capacity rights included in the transmission and distribution fee.

AOC balancing is achieved for all reserve capacity contracts for flow into the user's transmission and distribution system.

When a user is in an imbalance situation due to excess gas in the Commercial Operation Storage, the user will be billed daily for a monetary amount equivalent to the excess stock multiplied by 5% of the benchmark price for imbalances due to a lack of operational stock defined in section 9.6.6.

9.6.3 Imbalance due to excess LNG at regasification plants.

A user is thought to be in a situation of LNG imbalance in the system when its LNG stock exceeds the values indicated in section 3.6.1 of NGTS-03.

This imbalance will be billed for in accordance with the charges set forth in section 3.6.1.

9.6.4 Imbalance due to lack of gas stock at a regasification plant or in AOC.

When a user is imbalanced due to a lack of stock in AOC, they will be billed daily for a monetary amount equivalent to the product of multiplying the missing quantity of gas by 5% of the benchmark price established in the section on imbalances due to lack of operating stock, as defined in section 9.6.6. If the imbalance due to lack of stock occurs at a regasification plant, 10% of the benchmark price will be applied.

The affected user must make their future nominations at regasification facilities, international connections, exchanges and/or underground storage facilities to bring the stock in AOC within the margins specified in the System

Technical Management Rules so that the lack of stock lasts for the minimum possible time.

If a shipper has negative stock on a day when tanker unloading has begun but is not completed on the same day, the stock will be checked at 24:00 the following day. If the stock is still negative on the following day, the shipper must bear the cost due to lack of stock (EPRcd) for each day. If it is no longer negative, there will be no charge due to lack of stock (EPRcd).

When there is an imbalance due to a user having negative stock at a regasification plant, the holder of the facility, after notifying the Technical Manager of the System and the affected user, must suspend regasification for the user in question, until the latter once again has LNG stock at the plant.

9.6.5 Gas for imbalances due to lack of stock

In order to have access to the necessary gas to address possible natural gas imbalances, the Technical Manager of the System, on behalf of the users, will organise a daily gas auction among the shippers. For this purpose, the Technical Manager of the System will ask shippers to make binding advance bids for the sale of gas to users for each day. Bids may be submitted starting one week in advance until the day of the auction and shall include the amount, location and price for each day "n". Acceptance of the bid, if necessary, by the Technical Manager of the System will be communicated on day "n+1".

If there is more than one bid offered for the same price and the volume of gas offered exceeds the amount necessary to cover the imbalance, this will be pro-rated based on the offer volume.

If these auctions are declared void or if the amount of gas offered is not sufficient to cover the imbalance due to lack of operating stock remaining on day "n+1", the Technical Manager of the System will request the necessary gas supply the following day, once it has been notified thereof. Accordingly, the Technical Manager of the System will ask all shippers to submit bids to cover the imbalance. The affected user, in order to correct the imbalance, may ask the Technical Manager of the System to bring forward the request for gas supply bids.

The request for bids will be a competitive, transparent, open and non-discriminatory process. The gas acquired through the procedures described in the above paragraphs will be billed to the Technical Manager of the System, who will purchase it on behalf of the user to whom it is supplied to cover the imbalance. The user must pay the Technical Manager of the System for the gas purchased.

If the imbalanced user fails to pay the Technical Manager of the System, the latter may invoke the guarantees established for that purpose.

9.6.6 Benchmark price for imbalances due to excess and lack of stock in AOC and lack of stock at a regasification plant.

When the user's imbalance does not require gas to be purchased by the Technical Manager of the System, the benchmark price for imbalances due to excess stock in AOC and lack of stock at a regasification plant or in AOC will be taken to be the arithmetic mean of the cost of natural gas at the "Henry Hub" and in the "National Balancing Point" (NBP) for that day.

To ascertain the cost of gas at the "Henry Hub" and "National Balancing Point" (NBP), the average of the last seven available quotes, expressed in € cents/kWh, will be taken.

Available quote will be taken from the values published as closing prices for futures contracts whose maturity is closest to the benchmark date in the "New York Mercantile Exchange" under the heading "Henry Hub Natural Gas Futures" and in the "Intercontinental Exchange (ICE)" under the heading "ICE Natural Gas Futures", respectively. To convert the quotes into €, the official daily exchange rate published by the European Central Bank will be applied. If a quote for natural gas is available but no official exchange rate has been published by the European Central Bank, the previous day's rate will be used. For the sole purpose of converting the said quotes to kWh, the equivalence to be applied will be 1 kWh = 0.00341 MMBtu = 0.0341 therms.

When the user's imbalance requires gas to be purchased by the Technical Manager of the System, the provisions of section 9.6.5 will be followed.

The Directorate General of Energy Policy and Mines may, by Resolution and following a report by the National Energy Commission on Markets and Competition, change the benchmark price, including other regional markets deemed to be representative of the price of natural gas in the Spanish market.

9.7 System monitoring.

The Gas System Monitoring Committee (CSSG) is set up as a body whose purpose is to monitor the operation of the system, coordination between different parties that act in the system, the presentation of information on operational plans of temporal scope (winter periods) and any other topic of interest for the monitoring of the system.

In order to facilitate the operation of the Gas System Monitoring Committee, the Technical Manager of the System shall publish at least the following

information on its website:

- A monthly gas statistical bulletin listing the relevant aspects of the system's operation, evolution and coverage of demand, uses and incidents on the transmission network, use and levels of different storage facilities, quality of supply and unloadings.
- Annual gas system report.
- Historical overview of the previous year with daily detail of LNG stock, underground storage facilities and commercial operative storage in the transmission pipeline network and gas flows into the transmission network.

The Gas System Monitoring Committee will meet every two months and its meetings will be attended, in addition to the representatives of all the parties of the system, by representatives of the Directorate General of Energy Policy and Mines of the Ministry of Industry, Tourism and Commerce, of the National Energy Commission and, depending on the matters for discussion, of the Electrical System Operator.

NGTS-10 "System operation in exceptional situations"

10 System operation in exceptional situations

10.1 Purpose.

To establish the general measures for operation, coordination and communication for adoption by the Technical Manager of the System to be implemented by the affected parties to maximise the degree of coverage of gas demand and guarantee the safety of people and goods at all times when the gas system is in an Exceptional Operating Situation.

10.2 Exceptional Operating Situation. General considerations.

Exceptional Operating Situations (EOS) are defined as those in which it is forecast that one of the defining parameters of Normal Operation will not be met, but without requiring an Emergency Situation to be declared.

Depending on severity, these situations are classified into three levels: Level 0, Level 1 and Level 2.

The operation of the system in this situation will require a declaration by the Technical Manager of the System and prior reporting to the Ministry of Industry, Tourism and Commerce, National Energy Commission and all operators and users. When user supplies are restricted, the affected Autonomous Communities will also be informed.

Likewise, any change that results in an Exceptional Operating situation must be reported, in the event of a return to Normal Operation or when the Emergency Situation ends.

Exceptional Operating situations will normally result from unavailability of gas for supply in an area of the gas system, due to total or partial paralysis or unavailability of an LNG plant, a reduction in the gas supplied by an international pipeline, a major unforeseeable increase in consumption, unavailability of equipment on the transmission network, lack of raw materials for the manufacture of gas manufactured by pipeline or due to a disturbance in the system.

The Technical Manager of the System is responsible for the correct application of this operating procedure, for which it will issue the corresponding instructions to gas transmission companies and DSO of natural gas and manufactured gas by pipeline and to natural gas shippers and directly-supplied consumers.

The gas transmission companies and DSO will be responsible for implementing the instructions issued by the Technical Manager of the Gas System in full, which may make it necessary for them to be sent to the natural gas shippers and to consumers supplied directly by gas transmission companies and DSO.

10.3 Preliminary evaluation of an Exceptional Operating Situation

If an exceptional operating situation is forecast, unless urgent reasons make it advisable to act in more immediate way, the Technical Manager of the System will proceed to conduct a preliminary evaluation taking account of the following parameters:

- Cause of the exceptional operating situation.
- The weather forecast, including conditions at sea.
- The estimated duration of the cause of the imbalance or, if applicable, the closure of ports.
- The users whose operations will be affected.
- The emission capacities of the LNG plants and the autonomy of stock.
- The natural gas connection capacities of international pipelines, emission of gas production field and underground storage, as well as stock levels.
- Transmission and distribution limitations that generate restrictions in emission capacity.
- Determination of the demand that can be met during the situation.
- Any other relevant information.

The conclusions of the preliminary evaluation shall be sent to the Ministry of Industry, Tourism and Commerce and to the National Energy Commission.

10.4 Information to be supplied to prevent and resolve Exceptional Operating Situations

To evaluate an exceptional operating situation and adopt of corrective measures, the Technical Manager of the System will use the information made available by the different operators, and may collect from any additional information deemed necessary from them.

Holders of facilities must send information to the Technical System Manager on the availability and use of capacities for LNG unloading, storage and emission at plants, underground storage facilities, injection and emission

from underground storage facilities and the transmission and storage capacity of transmission pipelines, as well as any programmed operational restrictions. This information must be kept updated at all times.

The Technical Manager of the Electrical System and the Technical Manager of the Gas System will coordinate their actions based on existing procedures or specifically developed procedures, in order to guarantee maximum coverage of gas needs for electricity generation.

For their part, DSO's and shippers must have previously identified the interruptible industrial customers, classified by market, supplier and physical location, that could be affected by corrective actions to address foreseeable types of imbalance. They must also have previously identified all consumption in excess of 5 GWh/year for firm industrial customers, also classified by market, supplier and physical location. In interruptible customer contracts, whether industrial or for electricity generation, both the fee-based and liberalised markets must set the necessary notice time for supply cuts in such a way that production facilities will not be damaged by a cut cited as an exceptional measure.

Based on the information obtained in accordance with the provisions of the previous paragraph, all DSO's and shippers must draft a plan, to be sent to the Technical Manager of the System, for possible interruptions of interruptible and firm consumption, grouped by areas or exits from the transmission network, with information regarding the advance notice necessary for the interruption. This information must be kept updated at all times.

10.5 Coordination of the operation of the system between operators in Exceptional Operating Situations

The Technical Manager of the System will coordinate an Operation Group within the Gas System Monitoring Committee.

The Operation Group will be tasked with acting and providing support to the Technical Manager of the System in order to make the necessary decisions regarding the system operation, in accordance with the operating procedures set forth in NGTS-9 and NGTS-10. The members of this group may be the users of the system as well as the Directorate General of Energy Policy and Mines of the Ministry of Industry, Tourism and Trade and the National Energy Commission.

To participate in the Operation Group, users and operators must appoint a representative, who must be reachable 24 hours a day, 7 days a week, 365 days of the year.

The Technical Manager of the System will coordinate the implementation of the forecasted daily operating procedures with all infrastructure users and operators involved and will manage any deviations that occur.

For operational procedures of monthly and annual scope and for decisions in situations that could lead to operational problems of any kind or to analyse appropriate alternatives in case of possible Exceptional Operating Situations, the Technical Manager of the System will convene the Operations Group representatives involved.

In order to carry out the functions described and take technically grounded decisions, the Technical Manager of the System and the Operations Group, through the former, must take account of at least the following information, provided by all of them, according to their various remits:

- Nominations and programming.
- Weather forecast.
- Demand forecasting.
- Programming for LNG loading and unloading at plants.
- Maintenance plans for facilities.
- Programming for international gas pipelines.
- Any other information deemed necessary.

The outcomes of decisions taken by the Operations Group will be included as an integral part of the explanatory report of the measures taken in Exceptional Operating Situations.

10.1.1. Temporary operating instructions from the Technical Manager of the System

In emergencies, the Directorate General of Energy Policy and Mines may temporarily authorise the Technical Manager of the System to give operating instructions that are not included in these rules, with the aim of restoring the system to Normal Operation or of reducing the effects of an exceptional operating situation.

10.6 Level 0 Exceptional Operating Situation

A situation in which a gas deficit or surplus situation is expected to occur in the system, altering or possibly altering Normal Operation, but without, in principle, putting the guarantee, security and continuity of supply to the firm market at risk.

This situation may occur in the following cases, among others:

- Individual imbalance of a facility user: shippers, those responsible for fee-based supply or end customers who flow gas into the system.
- Lack of natural gas stock in regasification plant LNG tanks, due to closure of LNG loading and/or unloading ports, incidents at facilities, or failure to meet unloading programming for any reason.
- Limitations on natural gas emission from regasification plants, natural gas connections with international pipelines, natural gas connections with gas production field and/or natural gas connections with underground storage facilities due to contingencies at facilities or a disturbance in the system.
- Limitations on gas transmission or distribution due to contingencies at facilities or a disturbance in the system.
- Failure of shippers, qualified self-supplying consumers or gas transmission companies to comply with the binding monthly supply program.
- In general, any situation caused by an unforeseeable increase in domestic market demand or by an increase in consumption not expected to be firm but which, for reasons of general interest, must necessarily be addressed.

10.6.1. Measures to be taken in Level 0 Exceptional Operating Situations

If the imbalance is caused by a shipper, the Technical Manager of the System will verify that supply has been interrupted to customers with which those suppliers who have established interruptible commercial contracts, as otherwise the shipper will not be authorised to do so.

First paragraph of section 10.6.1 "Measures to be taken in level 0 exceptional operating situations" of Chapter "System operation in exceptional situations" of the system technical management rules, in the wording found in the First Additional Provision of the Res. of 25 July 2006 of the Directorate General of Energy Policy and Mines, regulating the conditions of allocation and the procedure for application of interruptibility in the gas system (B.O.E. 5 August).

Valid from: 6 August 2006

If the imbalance is caused by a party responsible for fee-based supply, the Technical Manager of the System shall verify that supply has been interrupted for customers with whom interruptible fee-based contracts have been signed (group 4); if not, the interruption will be implemented.

If this measure proves inadequate, or the situation was caused by another

reason, the following measures will be adopted without affecting the operation of other users:

- Management of commercial operative storage in the system transmission pipeline network.
- Modification of tanker unloading.
- Change of withdrawal/injection instructions for underground storage facilities.
- Reprogramming for international pipelines and national gas production field.
- Any other change to programming operation of the system able to minimise the impact and the effects of the cause of the exceptional operating situation.

By their very nature, some of the above-mentioned measures will be applied simultaneously and others sequentially. The Technical Manager of the System shall be the one to determine the timing of their application in accordance with the operation plan.

Measures affecting the operation of the system must be reported to the parties affected as far in advance as possible. For this purpose, the Technical Manager of the System will notify the parties affected by the application of these instructions. It will also report operating scenarios deemed likely and the adoption of exceptional measures set forth in the operation plan to the Ministry of Industry, Tourism and Commerce, to the National Energy Commission and to the relevant Government Agencies. All of the above is understood without prejudice to the any responsibilities of the operators of the affected facilities or of users that may have caused the Exceptional Operating Situation.

10.7 Level 1 Exceptional Operating Situation

The system will enter this situation when the measures outlined in the Level 0 Exceptional Operating Situation are insufficient to restore the situation to Normal Operation.

10.7.1. Measures to be taken in Level 1 Exceptional Operating Situations

If it is not possible to solve the problem with the measures set out in Level 0, the Technical Manager of the System may use, in this order of priority, the following measures:

- Apply interruptibility to interruptible customers in the fee-based market

and in the liberalised market who may have signed a potentially interruptible fee contract.

- Use of minimum security stock not of a strategic nature.
- Implementation, exceptionally and subject to the authorisation of the Directorate General of Energy Policy and Mines, of extraordinary natural gas import programs, either by gas pipeline or methane tankers (LNG), up to the limits of the Spanish gas system, provided it is justified in order to ensure short-term supply. The procurement process will be competitive, if circumstances permit it.

Any change to the order of application of the measures described will require the authorisation of the Directorate General of Energy Policy and Mines.

If interruptible supplies are cut, it will be first be necessary to determine the areas in which the supply would need to be interrupted, to specify the amounts and, if possible, to specify the duration of the restrictions. When a partial interruption of interruptible customers is established, the customers to be interrupted will be spread across the whole market, both fee-based and liberalised (in the event that there is a possible interruptible fee). In the latter case, they will be distributed in proportion to the interruptible market of each shipper.

The Technical Manager of the System will provide the DSO with the appropriate orders so that they can comply with the instructions based on the consumption quantities affected and the physical location of said consumption. Likewise, the Technical Manager of the Gas System will contact the Technical Manager of the Electrical System, based on the coordination procedures in place between both operators, to determine the restrictions on supply for electricity generation.

The scope of the interruptions will be determined by the Technical Manager of the System, remembering that in cases of imbalances caused by a failure at a specific facility, the measures will, as far as possible, first affect interruptible consumers of users using contracted or booked capacity at the facility in question.

All the above is understood without prejudice to the responsibilities of the facility holders or of the users causing the imbalance.

If a consumer with interruptible fee-based supply (group 4) or on an interruptible fee fails to comply during the period in which the interruption has been applied, the Technical Manager of the System will inform the Directorate General of Energy Policy and Mines and the National Energy Commission, for the corresponding assignment of responsibility, if any, in

accordance with the provisions of Title VI of the Hydrocarbons Sector Law.

10.8 Level 2 Exceptional Operating Situation.

The gas system will enter this state when the measures outlined for Level 0 or Level 1 Exceptional Operating Situations are insufficient to restore the situation to Normal Operation.

10.8.1. Measures to be taken by the Technical Manager of the System in Level 2 Exceptional Operating Situations

If, despite taking all the measures established for operation levels 0 and 1, the situation has not been corrected and the system remains in an exceptional operating situation, the Technical Manager of the System will proceed to order interruptions to the firm supply, both in the liberalised and fee-based markets.

If this situation is caused by a user's imbalance, the Technical Manager of the System will proceed to interrupt the firm customers of that user, in accordance with the established supply priorities.

The following priorities will be observed when maintaining the supply:

1. Services declared essential in accordance with the provisions of Article 60 of Royal Decree 1434/2002 of 27 December regulating transmission, distribution, supply and provision activities and the authorisation procedures for natural gas facilities.

2. Household consumers.

3. Business consumers.

4. Industrial consumers with firm supply, including electrical power plants, with any possible restrictions established by the Technical Manager of the Electrical System.

In the event of restoration of service, the order for cutting supplies will be reversed.

Notwithstanding the foregoing, the Technical Manager of the System shall in turn produce a priority order for cutting supply among industrial consumers with a firm supply, based on the following principles:

- Minimise economic and technical damage caused by lack of supply.
- Select consumers from a particular focus of consumption, in order to achieve the maximum degree of operability and reduce the number of consumers affected.

- Ensure that the cut order for industrial consumers is staggered and that there are no induced cessations of activity that break the chain of basic raw materials, intermediate products and final products.
- In general, the users of the gas system will be responsible for ensuring the supply and, for the liberalised market, the suppliers and directly supplied consumers.
- Ensure that fairness is maintained among the DSO's, shippers and consumers affected, so that the percentage reductions to be applied to firm consumption are identical under similar conditions.
- Act according to principles of minimum intervention and proportionality, so that the measures adopted are those that are geared towards solving the situations created and produce the least disruption in the Spanish gas market and in the parties acting in it, always seeking maximum consumer protection.

The Technical Manager of the Gas System, using information provided by gas transmission companies, DSO's and shippers, will identify and communicate the specific actions that make it possible to reduce the flows (consumption) that are necessary.

Support from the relevant authorities will be sought for the measures taken.

10.9. Return to Normal Operation.

Once the system returns to Normal Operation, the Technical Manager of the System will declare this and provide a complete report of the events, including a judgement of the causes of the situation, the measures adopted and the parties affected by the measures. This report will be sent to the Ministry of Industry, Tourism and Commerce and to the National Energy Commission.

Likewise, once the situation of imbalance is resolved, the parties whose consumption or customers have been affected (regardless of whether they are firm or interruptible) may suggest whatever actions they deem relevant for the redress of the damages and losses caused by the imbalance to them or their customers.

NGTS-11 "System emergency situations"

11 System emergency situation

The gas system will be understood to be in an Emergency Situation when a shortage in the gas supply may make it necessary to use strategic reserves or when there is a threat to the safety of persons, devices or facilities or the integrity of the network.

Operation in Emergency Situations will be based on the principles established in article 101 of Law 34/1998 of 7 October on the Hydrocarbons Sector, and in the provisions of article 40 of Royal Decree 1716/2004.

In emergency situations, the Government shall establish the conditions under which strategic reserves of natural gas may be used by the parties required to maintain them.

Specifically, the following will be determined:

- The use of the strategic reserves of the subject affected by the situation.
- The use of the strategic reserves of other parties required to maintain them.

NGTS-12 "Proposals to update, review and amend system management rules or protocols"

12 Update, review and amendment of system management rules or protocols

Resolution of 4 May 2015 of the Directorate General of Energy Policy and Mines, amending the system technical management regulation NGTS-12 "Proposals to update, review and amend of system technical management rules or protocols"

Valid from: 22 May 2015

12.1 Purpose.

Define the procedure for drafting proposals for updating, reviewing and amending the Technical System Management Rules and their Detail Protocols, which are required for the optimal operation of the gas system, at the request of the parties acting in it.

12.2 Gas System Monitoring Committee working group for updating, reviewing and amending Technical Gas System Management Rules and Protocols

Gas System Monitoring Committee working group for updating, reviewing and amending gas Technical System Management Rules and Protocols. For the purpose of updating, reviewing and amending the Rules and Technical Management Protocols of the gas system, the Technical Manager of the System will coordinate a specific working group within the Gas System Monitoring Committee.

This working group will be tasked with receiving, studying and drafting proposals for updates, reviews and amendments to the Technical System Management Rules and Protocols for submission to the Directorate General of Energy Policy and Mines for approval, at the upon the initiative of the Technical Manager of the System or as proposed by the other gas system parties, under the provisions of article 13.1 of Royal Decree 949/2001 of 3 August.

Likewise, at the request of a simple majority of the members of the Group or of the Directorate General of Energy Policy and Mines or the National Markets and Competition Commission, the Group may draft studies on questions relating to matters within its remit, especially on the operation and management of gas system facilities.

12.1.1 Composition of the Group. The membership of the working group will be as follows:

- A chairman appointed by the Technical Manager of the System, entitled to vote.
- A vice-chairman appointed by the Technical Manager of the System, not entitled to vote, to exercise the functions of the Chairman in his/her absence.
- A spokesperson appointed by each transmission network operator (TSO), entitled to vote.
- A spokesperson elected by and from among the other holders of transmission facilities, entitled to vote. These owners may not belong to the group of companies of transmission network operators.
- A spokesperson elected by and from among the holders of regasification plants, excluding transmission network operators, entitled to vote.
- Four spokespeople elected by and from among the registered DSO's, entitled to vote.
- Five spokespeople elected by and from among the registered shippers, entitled to vote.
- A spokesperson elected by and from among the direct consumers in the market, entitled to vote.
- A spokesperson elected by and from among the industrial consumers connected to networks with pressure in excess of 16 bar, entitled to vote.
- A spokesperson appointed by the National Commission of Markets and Competition, not entitled to vote.
- A spokesperson appointed by the Ministry of Industry, Energy and Tourism, not entitled to vote.
- A spokesperson appointed by the Strategic Reserves Corporation, not entitled to vote.

- When convened, a spokesperson appointed by the Technical Manager of the Electrical System, not entitled to vote.
- The Secretary, who shall not voting rights and who will be appointed from among the staff of the National Markets and Competition Commission.

With the prior agreement of the Chairman and the Secretary, and as proposed by them or of by three or more members of the Group, parties who are not Group members may be invited to report on specific matters, without voting rights under any circumstances. These invitations must be specific for each meeting.

12.1.2 Election of members. To vote or be voted on in the election of the spokespeople referred to in the previous section, there must be proof of actual activity in the corresponding category during the twelve months prior to the election:

In the case of shippers, the actual activity will be demonstrated through sales to end consumers or to other shippers.

In the case of direct consumers in the market, actual activity will be demonstrated by contracts for access capacity at the transmission or distribution facility to which they are connected, excluding those that have simultaneously sold gas, that have signed an ordinary supply contract with a shipper or that have not actually consumed gas during the period.

In the case of DSO's and gas transmission companies, actual activity will be accredited through ownership of currently operational gas facilities.

In the case of industrial consumers, actual activity will be demonstrated through connection to the network and gas consumption.

Empty seats in one category cannot be added to any other. For the election

of the members, the following rules shall apply:

For the election of shipper representatives, a seat will be reserved for agents with a market share of less than 5%. More than one company belonging to the same business group shall not be allowed to form part of this category under any circumstances.

For the election of DSO representatives, a place will be reserved for the holders of distribution facilities with recognised annual fixed remuneration of under 10% of the total. More than one company belonging to the same business group shall not be allowed form part of this category under any circumstances.

For the election of the industrial consumer's representative, the Secretary of the Group will ask the applicants presented to reach an agreement.

Each member shall be appointed for a term of two years and shall appoint a substitute representative for the same period for occasions when the incumbent is unable to attend.

The membership of the Group will be changed every two years on 1 April. To this end, the Secretary of the Working Group shall notify the agents in question at least one month in advance of the renewal date and they shall put forward a proposal for elected representation in accordance with the provisions of this section.

In the process of selection of the spokespeople, each business group may cast one vote in each category of which it is a member. All votes of all business groups will have the same weight.

The results of the member election process of election shall be reported to the National Markets and Competition Commission, detailing the companies that have participated, how the process was been carried out and its results.

12.1.3 Operation of the Working Group.

The Working Group will meet monthly. In order to facilitate attendance, the calendar of regular meetings will be set annually. The Secretary shall convene extraordinary meetings by decision of the Chairman or at the request of more than five members of the group, of the National Markets and Competition Commission or of the Directorate General of Energy Policy and Mines.

Any meeting of the Working Group attended by more than seven voting members will be considered valid. Decisions will be passed by simple majority and, in the event of a tie, will be resolved by the Chairman's deciding vote.

In order to replace a member of the Group, the replacement must be reported to the Secretary prior to the meeting. If the member and the replacement are both unable to attend, the members may delegate their vote to another group member, always with an express instruction on how to cast their vote and prior to notification of the Secretary.

Any gas system party may submit proposals for amendments, revisions or updates to the Technical System Management Rules and its Detail Protocols.

The proposals must be submitted in writing to the Secretary of the Working Group for inclusion on the agenda of the next meeting and may be submitted directly or through the elected spokespeople. They will clearly indicate the section of the rules or protocols to which they refer and their purpose,

including, at least, the title, a summary, the proposing party, the date, whether or not the matter is urgent, the full text of the proposal and any necessary supporting information.

The Secretary will send the agenda of each meeting seven calendar days before the scheduled date for the meeting, indicating the proposals to be debated or voted on at the meeting and attaching proposals for amendments, revisions or updates to the rules or protocols for discussion, as well as any additional information deemed necessary.

For each proposal, the Working Group shall decide:

a) Whether or not it must be handled urgently; to decide this, the possibility of any of the following circumstances will be assessed:

   The security or economic sustainability of the system may be affected.

   The proposal is associated with an imminent event.

b) If it is considered urgent, a Study Sub-group will be formed to draft an immediate change proposal, or the Technical Manager of the System will be tasked with drafting the said proposal. This proposal must be sent to the members of this Working Group for debate and votie, and to the National Markets and Competition Commission, and to the Ministry of Industry, Energy and Tourism no later than two weeks from the establishment of the Study Sub-group or from the task being assigned to the Technical Manager of the System.

c) If it is not considered urgent, a decision will be taken on whether or not the proposal for changes or updates to the rules and protocols can start to be drafted, or whether the proposal requires further study; in the latter case, the Chairman will propose that a Study Sub-group be established.

If further study is considered unnecessary, or once the study has been drafted, a Drafting Sub-group will be established to prepare the update or amendment proposal. The Chairman of the Working Group will propose the membership of the sub-group, which shall consist of members of the Gas System and including the party that proposed the revision to the Rules, whether or not s/he is a member of the Working Group.

The Study or Drafting Sub-groups, as appropriate, in addition to the amendment or update proposal, shall draft a report on the proposal, which must include, at least:

The implications of the changes made for the management of the system.

The economic implications for the affected agents.

The legal implications and implications for the

regulatory framework. The costs associated with its

implementation.

The impact on any risk to the system's security of supply.

Alternatives, if any, and possible disagreement within the Sub-group.

A plan for its implementation, if necessary.

The proposals approved by the Working Group will be sent by the Chairman of the Group within one month to the Directorate General of Energy Policy of the Ministry of Industry, Energy and Tourism and to the National Markets and Competition Commission, indicating whether or not the proposal has the consensus of all members and including the following supporting information:

Report including the claims of all parties, including possible individual votes within the Group,

Impact of the claims on the operation of the system and their economic consequences,

Request for comments and comments received.

Agreement of the National Markets and Competition Commission on whether or not the proposal meets the requirements of the Action Plan.

Once the meeting of the Working Group has been held, the Secretary shall draft its minutes and send them to all members for agreement or comments.

The minutes for each meeting will be definitively approved at the next meeting.

The approved minutes, together with the documentation submitted to the meetings, will be published by the Technical Manager of the System and made accessible to parties acting in the Spanish gas sector.

12.1.4 Operation of the Study and Drafting Sub-groups.

The Sub-groups will be managed by a Director and a Secretary elected from the members of the Working Group. They cannot both belong to the same business group or to the same category as those described in section 12.2.1, unless the other members of the Group with voting rights agree. Once this election has taken place, the President of the Working Group will invite the other participants to take part in the Sub-group within fifteen calendar days.

Any member of the Working Group may participate in the Sub-group, as well

as any other person belonging to any company that may be represented in the Working Group. Exceptionally and for the purpose of technical support, and subject to the prior authorisation of the Working Group, persons other than those mentioned above may be invited to participate, provided that they have experience related to the matter at hand.

There will not initially be any limitation on the number of members. However, if the Chairman and Secretary unanimously agree that the number of members hinders the operation of the group, they will suggest to the Working Group that a limit be set on the number of members. This limit, in any case, will guarantee equitable representation of the companies and the participation of the best experts in the matter.

The National Markets and Competition Commission and the Technical Manager of the System will always be able to participate in all the Sub-groups.

The Sub-group will draft its report and amendment or update proposal, in accordance with the provisions of section 12.2.3, within six months. This report will be included on the agenda of the Working Group for debate and decision on the proposal in question.

The proposed regulation or Detail Protocol shall be sent to third parties who may be affected by its content for any comments that they deem appropriate within twenty calendar days.