

## ORDER

### **on measures for transmission capacity booking at the Csanádpalota interconnection point between the Romanian Gas Transmission System and the Hungarian Gas Transmission System**

Considering the provisions of Art. 99, letter e), l) and m), and of Art. 130, paragraph (1), letter q) of Electricity and Gas Law No. 123/2012, as further amended and supplemented, pursuant to Art. 5, paragraph (1), letters c), and of Art. 10 paragraph (1), letter o), point 2 of Government Emergency Ordinance No. 33/2007 on the organization and operation of the National Energy Regulatory Authority, approved as amended and supplemented by Law No. 160/2012,

**the President of the National Energy Regulatory Authority issues the following Order:**

**Art. 1** –The booking of the transmission capacity at the Csanadpalota interconnection point between the Romanian Gas Transmission System and the Hungarian Gas Transmission System, may also be made by the auctions held on the Regional Booking Platform, hereinafter referred to as RBP, operated by Földgázszállító Zártkörűen Működő Részvénytársaság – FGSZ Ltd., compliant with the operational rules of the RBP and the auction calendar published annually by the European Network of Transmission System Operators for Gas - ENTSOG.

**Art. 2** – (1) The capacity products offered by the National Gas Transmission Company Transgaz S.A. Mediaș through auctions held on the Regional Booking Platform at the Csanadpalota interconnection point in both transmission directions, Romania – Hungary and Hungary – Romania are defined at Art. 9, paragraphs (2) to (5) of Commission Regulation (EU) No. 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No. 715/2009 of the European Parliament and of the Council.

(2) The reserve price of each standard capacity product auctioned on the RBP is obtained by applying the conversion factors between the reference conditions, according to SR ISO 13443 `Natural gas. Standard reference conditions`, to the booking tariffs applicable during the period of use of the booked capacity to each standard capacity product at the Csanádpalota interconnection point, approved by Order of the National Energy Regulatory Authority - ANRE.

**Art. 3** – (1) By derogation from the provisions of Art. 26, paragraph (1) of the Network Code of the National Gas Transmission System, approved by Order No. 16/2013 of the President of the National Energy Regulatory Authority, as further amended and supplemented, the framework gas transmission contract concluded between the National Gas Transmission Company Transgaz S.A. Mediaș and the Network Users, as a result of the auctions held for capacity booking at the Csanádpalota

interconnection point is included in Annex 1 and contains the following documents:

- a) Statutory declaration, signed by the legal or conventional representative of the Network User, prepared in accordance with the template presented in Annex 2;
- b) Electronic confirmation of the successful auction held on the Regional Booking Platform, sent by the Platform operator.

(2) The documents in paragraph (1) shall be supplemented depending on the standard product offered – for the booking of annual/quarterly/monthly/daily firm/interruptible capacity, the framework gas transmission contract concluded between the National Gas Transmission Company Transgaz S.A. Mediaş and the Network Users, as a result of the RBP auctions shall be supplemented with the following documents, as applicable:

- a) `Terms and conditions of the quarterly/annual gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point`, under Annex 3;
- b) `Terms and conditions of the monthly gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point`, under Annex 4;
- c) `Terms and conditions of the daily gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point`, under Annex 5;
- d) `Terms and conditions of the gas transmission contracts concluded as a result of the auctions for interruptible capacity booking at the Csanadpalota interconnection point`, under Annex 6.

**Art. 4** – The National Gas Transmission Company Transgaz S.A. Mediaş shall publish on its website this Order, the Operational Rules of the Regional Booking Platform and the provisions of the Interconnection Agreement for the Csanádpalota interconnection point concluded between the National Gas Transmission Company Transgaz S.A. Medias and Földgázszállító Zártkörűen Működő Részvénytársaság – FGSZ Ltd., relevant to the implementation of the transmission contract, in Romanian and in English

**Art. 5** – Network User participation in each auction organized in accordance with the Operational Rules of the Regional Booking Platform for the allocation of the capacity at the Csanadpalota interconnection point shall be validated by the National Gas Transmission Company Transgaz S.A. Medias subject to the fulfilment of the following cumulative conditions:

- a) the Network User shall submit the statutory declaration under Art 3, paragraph (1), letter a) to the National Gas Transmission Company Transgaz S.A. Medias together with the financial guarantee under letter b);
- b) At least 24 hours before the opening of the auction the Network User shall present a participation guarantee, in favour of the National Gas Transmission Company Transgaz S.A. Medias for establishing the credit line to the Network User for participation in the auction for capacity booking.

**Art. 6** – (1) The Network User shall be entirely responsible for estimating the level of the participation guarantee based on the auction clearing price it would pay. Thus:

- a) for the standard daily/monthly capacity product the level of the guarantee is equal to the capacity requested;
- b) for the standard quarterly/annual capacity product, the level of the guarantee is equal to the monthly average value of the capacity requested.

(2) The participation guarantee may be in cash, in the form of a guaranteed account (collateral deposit) and/or letter of bank guarantee, issued by a bank on the territory of Romania.

(3) The National Gas Transmission Company Transgaz S.A. Medias accepts letters of bank guarantee issued by banks having a rating issued by one of the following rating agencies: Standard & Poor`s, Moody`s, Fitch, at least at the same level of the one granted by them to the National Gas Transmission Company Transgaz S.A. Medias. The equivalence between the rating of the National Gas Transmission Company Transgaz S.A. Medias and the ratings granted by other agencies is published on the website of the National Gas Transmission Company Transgaz S.A. Medias.

(4) The participation guarantee is valid at least the 75 calendar days from the starting date of the period of use of the capacity regarding the standard capacity product requested.

(5) The National Gas Transmission Company Transgaz S.A. Medias is entitled to retain the participation guarantee when the Network User does not establish the payment guarantee according to the framework contracts and the documents in Annex 3-5, as applicable.

(6) The financial guarantee shall be returned to the Network User within one working day from the date of establishment of the payment guarantee or from the advance payment date, if the Network User chose this payment modality, and within one working day from the closing of the auction for capacity booking if, following the auction, the Network User did not receive transmission capacity.

7) The credit limit granted to the Network User for the participation to the auction for capacity booking shall be equal to:

- a) the value of the financial guarantee in paragraph (1), letter a), for the daily/monthly standard capacity product;
- b) the value of the financial guarantee in paragraph (1), letter b), multiplied by the number of months related to the requested standard capacity product, for the quarterly/annual standard capacity product.

**Art. 7** – By derogation from the provisions of Art. 6, Art. 49 – 53 and Art. 55 - 59 of the Network Code for the National Gas Transmission System, approved by the Order 16/2013 of the President of the National Energy Regulatory Authority, as further amended and supplemented, the gas transmission contracts concluded between the National Gas Transmission Company Transgaz S.A. Mediaş and the Network Users as a result of the auctions held on the RBP, shall be implemented according to the provisions of the Interconnection Agreement for the Csanádpalota interconnection

point, concluded between the National Gas Transmission Company Transgaz S.A. and Földgázszállító Zártkörűen Működő Részvénytársaság – FGSZ Ltd.

**Art. 8** – Annexes 1 - 6 are part of this Order.

**Art. 9** – The National Gas Transmission Company Transgaz S.A. Mediaş and the Network Users shall carry out the provisions of this Order, and the specialist divisions within the National Energy Regulatory Authority shall monitor compliance with such provisions.

**Art. 10** – This Order shall be published in the Official Journal of Romania, Part I.

**President of the National Energy Regulatory Authority**

**Niculae Havrileţ**

**Framework gas transmission contract  
concluded as a result of the auctions for capacity booking at the Csanadpalota  
interconnection point**

**The National Gas Transmission Company Transgaz S.A. Mediaș**, headquartered in Mediaș, 1 C. I. Motas Square, Sibiu County, tel. 0269-803333, 0269-839031, e-mail [cabinet@transgaz.ro](mailto:cabinet@transgaz.ro), registered with the Trade Register under no. J32/301/2000, tax no. RO13068733, transfer account IBAN RO 09 RNCB 0231 0195 2531 0001, opened with B.C.R. Mediaș, as transmission service provider, hereinafter referred to as the *transmission system operator* or the *TSO*,  
and

**Network User**, hereinafter referred to as the *NU*, having the identification data mentioned in the declaration of the legal or conventional representative of the *NU*, as the beneficiary of the transmission service,

hereinafter referred to individually as the *Party* and together as the *Parties*, have agreed to conclude this gas transmission contract based on the confirmation of the results of the Csanádpalota interconnection point capacity booking auction held on the Regional Booking Platform, hereinafter referred to as the *RBP*, operated by Földgázszállító Zártkörűen Működő Részvénytársaság – FGSZ Ltd.

**I. – Terminology; contract applicable law and documents**

**Art. 1** - (1) The terms used in the gas transmission contract, hereinafter referred to as the *Contract*, are defined by Commission Regulation (EU) No. 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No 715/2009 of the European Parliament and of the Council, by Electricity and Gas Law No. 123/2012, as further amended and supplemented, and by the Network Code of the National Gas Transmission System, approved by Order No. 16/2013 of the President of the National Energy Regulatory Authority, as further amended and supplemented, hereinafter referred to as the *Network Code*.

(2) The *Contract* is supplemented with the provisions of Commission Regulation (EU) No. 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No. 715/2009 of the European Parliament and of the Council, the provisions of the Civil Code, Electricity and Gas Law No. 123/2012, as further amended and supplemented, the National Energy Regulatory Authority (*ANRE*) regulations, the *Network Code*, the Interconnection Agreement for the Csanadpalota interconnection point, concluded

between the National Gas Transmission Company Transgaz S.A. Medias and Foldgaszallito Zartkoruen Mukodo Reszvenytarssasag - FGSZ Ltd., hereinafter referred to as the *Interconnection Agreement*, and the Operational Rules of the Regional Booking Platform, hereinafter referred to as RBP.

(3) The statutory declaration of the legal or conventional representative of the Network User and the electronic message for the confirmation of the RBP auction result are part of the *Contract*.

(4) The *Contract* is supplemented with the terms and conditions of the gas transmission contracts concluded as a result of the auctions for the capacity booking at the Csanadpalota interconnection point, under Annex 3 - 6 to Order 15/.....2016 of the ANRE President on measures for transmission capacity booking at the Csanádpalota interconnection point between the Romanian Gas Transmission System and the Hungarian Gas Transmission System.

## **II. Scope of contract**

**Art. 2** - (1) The scope of the *Contract*, is the provision of gas transmission services, such services designating all the activities and operations carried out by the *TSO* for or in connection with the booking of standard transmission capacity products at the Csanadpalota interconnection point according to the *Interconnection Agreement*.

(2) If the standard transmission capacity product awarded following the Csanadpalota interconnection point capacity booking auctions is transmission capacity booking in the Romania-Hungary direction, the *Contract* scope in paragraph (1) shall be supplemented with the activities and operations executed by the *TSO* for or in connection with the transmission through the National Transmission System (NTS) of the gas amounts expressed in energy units, until the Csanadpalota NTS exit point.

(3) The *TSO* and the *NU* shall note that the capacity is booked at the Csanadpalota interconnection point under the *Contract*, in accordance with the Operational Rules of the Regional Booking Platform.

(4) The transmission capacity booked at the Csanadpalota interconnection point is in kWh/h (25°C/0°C) and is the capacity allocated to the *NU* following the auctions organized compliant with the Operational Rules of the Regional Booking Platform, according to the electronic confirmation of the successful auction.

(5) The gas quantities nomination/renomination and allocation procedures are compliant with the provisions of the *Interconnection Agreement*.

(6) The commercial balancing, the invoicing of the imbalances, the application of the tariff for exceeding capacity, of the tariff for failure to ensure the booked capacity and the allocation to the *NU* of the difference between the expense and the revenue resulted from the *TSO*'s balancing actions are performed according to the provisions of the *Network Code*.

### **III. – Contract duration**

**Art. 3** - (1) The *Contract* shall be concluded for the period starting on ..... and ending on ..... [the dates mentioned in the electronic confirmation of the successful auction, organized within the RBP, sent by the RBP operator, according to the standard capacity product booked].

(2) The *Contract* date is .....[the date of receipt of the electronic confirmation of the successful auction on the Regional Booking Platform].

(3) The *TSO* and the *NU* shall explicitly agree that the date of the contract for bundled capacity booking on the Romanian side is the same as the date of the pair contract for bundled capacity booking on the Hungarian side, starting with the date of receipt of the electronic confirmation of the successful auction

### **IV. – Gas metering at the NTS entry/exit points**

**Art. 4** - (1) The gas quantities shall be metered and the quantities of energy entering and exiting the NTS through the Csanádpalota interconnection point shall be determined in accordance with the *Interconnection Agreement*.

(2) The gas quantities circulated through the Csanádpalota interconnection point shall comply with the minimum quality specifications established by the *Interconnection Agreement*.

### **V. – Applicable tariffs. Payment and invoicing terms and conditions**

**Art. 5** - (1) The *NU* shall pay to the *TSO* the value of the transmission capacity booked based on the capacity booking tariff applicable at the moment of use of the booked capacity, plus the premium resulted from the auction. In the situation stipulated at Art. 2, paragraph (2), the *NU* shall pay the *TSO* additionally the volumetric component tariff applicable to the amount of gas transmitted based on the final allocation, for the period of use of the booked capacity.

(2) As applicable, the *NU* shall pay additionally to the *TSO* the tariffs under the *Network Code*. Invoices issued to this effect shall be paid within 15 calendar days from the invoice date. If the due date is a non-working day, such date is deemed achieved on the next working day.

(3) The firm gas transmission services provided shall be invoiced based on the booked capacity, the number of hours in the invoicing period and the natural gas quantities allocated in the same period under the *Interconnection Agreement*.

(4) The interruptible gas transmission services provided shall be invoiced based on the booked capacity, the number of hours in the invoicing period in which the transmission services were not limited/interrupted and the gas quantities delivered/taken over, according to the monthly allocations compliant with the *Interconnection Agreement*.

(5) The payment method as well as the designation of the agreed banks for the banking operations shall be agreed in compliance with the applicable laws.

(6) Invoices issued according to the *Contract* shall be paid in accordance with the documents mentioned at Art. 3, paragraph (2) of Order No. 15/.....2016 of the President of the National Energy Regulatory Authority, as applicable. If the due date is a non-working day, such date shall be deemed achieved on the next working day.

(7) The advance payment of the transmission service invoices shall be made until the commencement of the transmission service based on the advance payment invoice issued in this respect.

(8) The payment obligation shall be deemed met at the date of entry of the relevant total amounts to the *TSO`s* account.

## **VI. – *TSO`s* rights and obligations**

**Art.6.** *TSO* shall be entitled to:

- a) receive the value of services provided and of the delay penalties;
- b) execute the payment guarantee submitted by the *NU* in case of failure to pay the invoices issued until their maturity date;
- c) limit or interrupt the transmission services, with a prior notice of 3 calendar days, if the payment obligations are not fulfilled according to the terms and conditions of the *Contract*;
- d) limit or to interrupt the firm transmission services, if the *NU* fails to comply with the provisions of Chapter VIII - `Guarantees`;
- e) limit or interrupt the transmission services, if the *NU* fails to comply with the provisions of the documents under Art. 1, paragraph (2), with a prior notice of at least 3 days;
- f) refuse to take over in the NTS the gas non-compliant with the minimum quality specifications established under the applicable laws;
- g) invoice the value of the `Deficit` imbalance of the *NU*, including the delay penalties, based on the provisions and tariffs under the *Network Code*;
- h) invoice to the *NU* the value of the transmission services provided under the scope of the *Contract*, based on the capacity booking tariff applicable at the moment of use of the booked capacity, plus the premium resulted from the auction, and the volumetric tariff applicable for the period of use of the booked capacity for the amount of gas transmitted delay penalties;
- i) limit or interrupt, as appropriate, the firm transmission services for the execution of unplanned maintenance works, notifying the *NU* of such limitation or interruption within maximum 6 hours;
- j) limit or interrupt, as appropriate, the firm transmission services for the execution of planned maintenance works;
- k) all other rights according to the documents under Art. 1, paragraph (2).



**Art. 7** – The *TSO* shall:

- a) notify the *NU* with regard to possible limitations or, as appropriate, interruptions of the transmission services in case of the *NU*'s payment default;
- b) resume the transmission services within 24 hours from the date of *NU*'s meeting payment obligations;
- c) enable *NU*'s access to the data/documents substantiating an invoice when the *NU* is disputing such invoice;
- d) take over, transmit and deliver the energy quantities to the *NU* according to the approved nominations/renominations and compliant with the quality specifications established by the applicable laws;
- e) answer and settle the *NU*'s complaints regarding the transmission services, according to the applicable laws;
- f) pay in full and to date the invoices issued by the *NU* for the value of the `Surplus` imbalance of the *NU*;
- g) pay the *NU* the tariff for the non-providing of the firm capacity booked;
- h) initiate the amending and/or supplementing of the *Contract* in case of modification of the circumstances which are at the basis of its signature;
- i) all the other obligations under the documents at Art. 1, paragraph (2).

**VII. – *NU*'s rights and obligations**

**Art. 8** – The *NU* shall be entitled to:

- a) refuse to take over at the NTS exit point gas not complying with the quality specifications set by the applicable laws;
- b) dispute the invoice issued by the *TSO* and request access to data/documents substantiating the relevant invoice;
- c) invoice the value of the `Surplus` imbalance recorded, including the delay penalties, based on the provisions and tariffs under the *Network Code*;
- d) request the *TSO* to amend the *Contract* in case of modification of the circumstances which are at the basis of its signature;
- e) all the other rights under the documents at Art. 1, paragraph (2).

**Art. 9** - The *NU* shall:

- a) pay fully and by the due date the invoices issued by the *TSO* according to the provisions of the *Contract* and of the documents at Art. 1, paragraph (2);
- b) accept the limitation/interruption of the transmission service according to the *Contract*;
- c) establish the guarantees under Art. 10 and Art. 11;

d) all the other obligations under the documents at Art. 1, paragraph (2).

### **VIII. – Guarantees**

**Art. 10** (1) The *NU* may be exempted from the obligation to establish the financial guarantee under Art. 11 in the favour of the *TSO* if:

- a) it makes the proof of a credit rating issued by one of the rating agencies Standard & Poor's, Moody's, Fitch, at least at the same level as that of the *TSO*, valid over the *Contract* duration;
- b) it pays in advance the value of the transmission services according to Art. 5, paragraph (8).

(2) If, during the execution of the *Contract* the *NU*'s rating or the issuing rating agency according to the provisions of paragraph (1), letter a) changes, the *NU* shall to notify the *TSO* within 3 days from the occurrence of the change and prove it complies with the provisions of Art 2 of the `Terms and conditions of the annual/quarterly gas transmission contracts concluded as a result of the auctions for the capacity booking at the Csanadpalota interconnection point` (Annex 3), the `Terms and conditions of the monthly gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point` (Annex 4) or the `Terms and conditions of the daily gas transmission contracts concluded as a result of the auctions for the capacity booking at the Csanadpalota interconnection point` (Annex 5), as applicable, within no more than 30 consecutive days from the occurrence of the modification.

**Art. 11** – (1) The *NU* shall submit the payment guarantee in the form of:

- a) a letter of bank guarantee and/or
- b) a guaranteed account (collateral deposit), and/or
- c) an escrow account.

(2) The *TSO* shall accept the letter of bank guarantee issued by a bank having a rating granted by one of the following rating agencies: Standard & Poor's, Moody's, Fitch, at least at the `investment grade` level. The equivalence between the ratings granted by the three agencies shall be published on the website of the *TSO*.

**Art. 12** – (1) If the *NU* provides the letter of good standing in accordance with Art 10, paragraph (1), letter a), the *TSO* may request, in certain justified cases, the establishment of a payment guarantee according to Art. 11 or the advance payment of the payment obligations resulting from the commercial relationship with the *NU*. The request of the guarantee or advance payment shall be provided and explained to the *NU* in writing.

(2) For the transmission services a justified case is considered the situation in which a *NU* is in delay payment for an amount representing at least 10% of the value of the last invoice or of the value of the partial payment obligations, after the receipt of a notice from the *TSO* to that effect.

**Art. 13** – (1) The *TSO* shall be entitled to execute the guarantees under this chapter unless the *NU* fulfills its contract obligations completely or partly or if it delays fulfilling such obligations.

- (2) Prior to executing such guarantee, the *TSO* shall notify the *NU* on the non-fulfilled obligations.
- (3) The *TSO* shall send the guarantee execution notification by fax within 24 hours from the expiration of the due date of the transmission services invoices.
- (4) If the guarantee is executed partly or completely, the *NU* shall re-establish the guarantee according to Art. 3, paragraph (2), letter a) and paragraph (3) of the `Terms and conditions of the quarterly/annual gas transmission contracts concluded as a result of the auctions for the capacity booking at the Csanadpalota interconnection point` (Annex 3) or the `Terms and conditions of the monthly gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point` (Annex 4), as applicable.

## **IX. – Confidentiality**

**Art. 14** - (1) The Parties shall keep confidential all data, documents and information obtained during the execution of the *Contract*.

(2) Notwithstanding the provisions of paragraph (1), confidential data, documents and information shall not include any data, documents and information:

- a) known to a contracting Party prior to the date of disclosure by the other contracting Party,
- or
- b) disclosed following receipt of the written consent of the other contracting Party for such disclosure, or
- c) which must be produced as a legal duty on disclosure.

(3) The provisions of this Article shall be effective for a period of 5 years form Contract expiration.

(4) Failure to comply with the obligations arising from paragraphs (1) to (3) shall hold liable the Party in default, according to the provisions of the law.

## **X. – Contract liability**

**Art. 15** - (1) Failure to meet the invoice payment obligation by the due date established at Art. 5, paragraph (2) shall determine the execution of the guarantee established in this respect and the payment of delay penalties, calculated for the outstanding amount, equal to the default interest due for the non-payment of the budgetary obligations by the due date, for each day of delay, from the due date and until its full payment.

**Art. 16** - (1) The full or partial culpable breach of the contract obligations by the *NU*, other than the payment obligations, shall entitle the *TSO* to claim damages, proportionally with the prejudice, according to the applicable law.

(2) The full or partial culpable breach of the contract obligations by the *TSO* shall entitle the *NU* to claim damages, proportionally with the prejudice, according to the applicable law.

(3) The debtor of the obligation shall be deemed in default by the meeting of the due dates set for the

execution of contractual obligations, except as specifically set forth in this *Contract*.

## **XI. – Force Majeure/Act of God**

**Art. 17** - (1) Force majeure is an event that is external, unforeseeable, absolutely invincible and unavoidable, which exonerates the Parties from liability, according to Art. 1351 of the Civil Code.

(2) If the Force Majeure event does not cease within 15 days, for the monthly contracts, and within 30 days for the quarterly and annual contracts, either Party shall be entitled to request the termination of the *Contract* de jure, without any of the Parties being entitled to claim damages.

(3) The Party claiming Force Majeure shall notify the other Party of such occurrence in writing, within no more than two days from the occurrence of the event, and the proof of the Force Majeure shall be communicated within maximum 15 days from such occurrence.

**Art. 18** - (1) Act of God is an event which cannot be foreseen or prevented by the Party which would have been required to respond if the event had not occurred in the conditions of Art. 1351 of the Civil Code.

(2) The provisions of Art. 17, paragraphs (2) and (3) shall apply accordingly.

## **XII. – Termination**

**Art. 19** - (1) The *Contract* shall be terminated:

- a) at *Contract* expiry according to Art. 3;
- b) by operation of law, through the termination of the pair contract concluded between the *NU* and Foldgaszallito Zartkoruen Mukodo Reszvenytarssasag – FGSZ Ltd. in the situation of bundled standard capacity products booking;
- c) by the tripartite agreement of Foldgaszallito Zartkoruen Mukodo Reszvenytarssasag – FGSZ, the National Gas Transmission Company Transgaz SA Medias and the *NU*, for any reason, in the situation of bundled standard capacity products booking;
- d) by the agreement of the Parties, in the situation of bundled standard capacity products booking;
- e) by unilateral termination, in case of bankruptcy, dissolution or liquidation, as applicable, of the contractual partner based on a prior notice;
- f) by unilateral termination, under the conditions of Art. 17 and Art. 18;
- g) by unilateral cancellation, under the conditions of Art. 1552 of the Civil Code.

(2) The termination of the *Contract* shall bear no effect on the contracting obligations arisen validly during the execution of the *Contract*, independent of their deadlines.

### **XIII. – Notifications**

**Art. 20** - (1) During the execution of the *Contract*, the *TSO* and the *NU* shall notify each other in writing, at the address of the *NU* indicated in the declaration of the legal or conventional representative of such *NU*, and at the address indicated on the website of the National Gas Transmission Company Transgaz SA Medias, with regard to any change in the circumstances considered on the *Contract* effective date.

(2) For this *Contract*, change in the circumstances shall mean the application, amendment or cancellation of a normative act regulating completely or partially the *Contract* or the terms and conditions of the *Contract*.

(3) The notification period shall be of maximum 3 calendar days from the occurrence of the modification, unless otherwise stipulated by the *Contract*.

(4) The notifications between the *TSO* and the *NU* may also be sent by fax or e-mail, conditional on the written confirmation of the receipt.

(5) Any written document must be registered when sent as well as when received.

### **XIV. – Applicable law and settlement of the disputes**

**Art. 21** - (1) The *Contract* shall be governed by and construed in accordance with the Romanian law.

(2) The *TSO* and the *NU* agree to amicably settle any dispute arising in relation to the validity, interpretation, execution and termination the *Contract*. If not, the disputes shall be referred to the competent Romanian law courts.

### **XV. – Transfer**

**Art. 22** - (1) Neither Party shall be entitled to transfer to a third party in any way, totally or partially, its rights and/or obligations established by this gas transmission *Contract* for standard bundled capacity products, except with the written consent of Foldgazszallito Zartkoruen Mukodo Reszvenytarsasag FGSZ Ltd., the National Gas Transmission Company Transgaz S.A. Medias and the *NU*, which cannot be refused without any justification.

(2) Neither Party shall be entitled to transfer to a third party in any way, totally or partially, its rights and/or obligations established by this gas transmission *Contract* for standard unbundled capacity products, except with the written consent of the other Party, which cannot be refused without any justification.

(3) The transfer intention notification shall be sent to the other Parties at least 5 working days prior to the intended transfer date.

(4) The notified Parties shall send a reasoned answer within maximum 3 working days from the notification receipt date.

(5) If the Party notified in accordance with paragraph (3) fails to answer or, as applicable, fails to send a reasoned answer, the transfer intention shall be deemed:

- a) not accepted, in the case of *Contract* transfer, according to the applicable law;
- b) accepted, in the case of debt transfer.

## **XVI. – Final clauses**

**Art. 23** – The *Contract* is concluded in Romanian under the Romanian legislation.

### Declaration

I, the undersigned ..... [name and identification data of the person filling in the declaration: personal identification number, series and number of identity card, address, telephone, e-mail], as legal/conventional representative\* of ..... [Network User name and identification data: registered office, telephone, fax, e-mail address, Trade Registry registration number, tax identification number bank account and bank with which the account is opened], hereby declare to my best knowledge that:

- I have entirely read and agree to all the provisions of the `Operational Rules of the Regional Booking Platform operated by Földgázszállító Zártkörűen Működő Részvénytársaság – FGSZ Ltd`, compliant with which the Csanadpalota interconnection point transmission capacity booking auction will be held on .....[date of auction];

- I have entirely read and agree to all the provisions of the Framework the gas transmission contract concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point` and of the terms and conditions of the gas transmission contracts concluded as a result of the auctions for capacity booking at the Csanadpalota interconnection point`, under Annex 1 and 3 - 6 of Order No. 15/ .....2016 of the President of the National Energy Regulatory Authority, on measures for transmission capacity booking at the Csanádpalota interconnection point between the Romanian Gas Transmission System and the Hungarian Gas Transmission System.

I hereby declare that I know and undertake to comply with the provisions of Art. 326 of the Criminal Code (`Misrepresentation`), according to which `Misrepresentation of the truth made to a person such as stipulated at Art. 175 or to a unit where such person performs his or her activity with a view to producing a legal consequence, for oneself or for another, when, according to the law or circumstances, the statement helps to produce the said consequence, is punished with imprisonment from 3 months to 2 years or with a fine`.

Date: .....

Network User

Stamp

Legal/conventional representative\*

Signature:

\*The conventional representative must accompany the declaration by its special power of attorney.

**Terms and conditions**  
**of the annual/quarterly gas transmission contracts concluded as a result of the auctions for**  
**the capacity booking at the Csanadpalota interconnection point**

**I. – Payment and invoicing terms and conditions**

**Art. 1** – (1) The invoices issued for the transmission service shall be paid within 15 calendar days from the invoice date. If the due date is on a non-working day, this deadline shall be deemed as achieved on the next working day.

(2) The transmission services shall be invoiced as follows:

- a) if the *NU* chooses not to pay in advance, the *TSO* shall issue and send to the *NU*, until day 15 of the month following the month for which it provided the transmission service, an invoice for the transmission services provided for the previous month, based on the monthly allocations;
- b) if the *NU* chooses to pay in advance, the *TSO* shall issue and send to the *NU*:
  - i. at least 5 calendar days prior to the date of beginning of each service provision month, an invoice for payment in advance, the amount of which equals the value of the booked capacity, calculated for the period of the service provision month, to which it is added the value of the volumetric component calculated at the contractual level of the capacity for the same period in the situation stipulated at Art 2 , paragraph (2) of the *Contract*;
  - ii. within 15 working days from the end of the service provision month a payment settlement invoice, based on the monthly allocation.

**II. – Guarantees**

**Art. 2** – The *NU* shall present to the *TSO* the payment guarantee in the amount established at Art. 3, within not more than 15 working days from the closing of the auction.

**Art. 3** – (1) The level of the payment guarantee established by the *NU* shall be equal to twice the average value of the monthly invoices estimated for the transmission services of the following period of use.

(2) If the level of the payment guarantee:

- a) is under the level stipulated at paragraph (1), the *NU* shall supplement the level of the financial guarantee accordingly;
- b) is over the level stipulated at paragraph (1), the *TSO* shall return to the *NU* the unused portion of the guarantee value.



(3) The payment guarantee level shall be adjusted within no more than 5 working days from the date of the occurrence of the diminishing/increase compared to the level established, according to paragraph (1).

(4) The payment guarantee established according to paragraph (1) shall be valid starting with the bank day previous to the transmission service start date and shall expire in the 60<sup>th</sup> calendar day from *Contract* expiration.

**Art. 4** – (1) The *NU* may choose not to establish a guarantee for the provision of the transmission service by making advance payments. In such case the *NU* shall state its advance payment option instead of establishing a guarantee, to the *TSO*, in writing, within not more than 7 working days prior to the closing of the auction.

(2) The amount of the advance payment shall be equal to the monthly invoice estimated for the transmission services for the following period of use.

(3) The advance payment/advance payment invoice is offset against the settlement invoice of the month for which the payment was made.

(4) If such advance payment does not cover the amount of the settlement invoice for the relevant month, the difference shall be paid by the *NU* on the invoice due date.

(5) The *NU* may request a cancellation of the advance payment option, provided the establishment of a payment guarantee according to Art. 10, paragraph (1), letter a) or Art. 11 of the `General terms and conditions of the gas transmission contracts concluded as a result of the auctions for the allocation of capacity at the Csanadpalota interconnection point`.

### **III. – Liability**

**Art. 5** – Failure to meet transmission service invoice payment obligation by the due date shall incur:

- a) delay penalties, calculated for the outstanding amount, equal to the default interest due for the non-payment of the budgetary obligations by the due date, for each day of delay, starting with the 16<sup>th</sup> calendar day from the invoice issuing date and until its full payment, the payment date included, in case of failure to meet payment obligations by the due date;
- b) the withholding from the established financial guarantee of the necessary amount to cover the complete or partial failure to meet the payment obligation;
- c) the limitation/interruption the gas transmission service, with a prior notice of 3 calendar days, starting from the next day following the period of 15 calendar days, in case of complete or partial failure to meet the payment obligation.

**Terms and conditions**  
**of the monthly gas transmission contracts concluded as a result of the auctions for the**  
**capacity booking at the Csanadpalota interconnection point**

**I. – Payment and invoicing terms and conditions**

**Art. 1** – (1) The invoices issued for the transmission service shall be paid within 15 calendar days from the invoice date. If the due date is on a non-working day, this deadline shall be deemed as achieved on the next working day.

(2) The transmission services shall be invoiced as follows:

- a) if the *NU* chooses not to pay in advance, the *TSO* shall issue and send to the *NU*, until day 15 of the month following the month for which it provided the transmission service, an invoice for the transmission services provided for the previous month, based on the monthly allocations;
- b) if the *NU* chooses to pay in advance, the *TSO* shall issue and send to the *NU*:
  - i. at least 5 calendar days prior to the date of beginning of each service provision month, an invoice for payment in advance, the amount of which equals the value of the booked capacity, calculated for the period of the service provision month, to which it is added the value of the volumetric component calculated at the contractual level of the capacity for the same period in the situation stated at Art. 2, paragraph (2) of the *Contract*;
  - ii. within 15 working days from the end of the service provision month a payment settlement invoice, based on the monthly allocation.

**II. – Guarantees**

**Art. 2** – The *NU* shall present to the *TSO* the payment guarantee in the amount established at Art. 3, within not more than 5 working days from the closing of the auction.

**Art. 3** – (1) The level of the payment guarantee established by the *NU* shall be equal to the value of the monthly invoice estimated for the transmission services of the following period of use;

(2) If the level of the payment guarantee:

- a) is under the level stipulated at paragraph (1), the *NU* shall supplement the level of the financial guarantee accordingly;
- b) is over the level stipulated at paragraph (1), the *TSO* shall return to the *NU* the unused portion of the guarantee value.

(3) The payment guarantee level shall be adjusted within no more than 5 working days from the date of the occurrence of the diminishing/increase compared to the level established, according to paragraph (1).

(4) The payment guarantee established according to paragraph (1) shall be valid starting with the bank day previous to the transmission service start date and shall expire in the 60<sup>th</sup> calendar day from *Contract* expiration.

**Art. 4** - (1) The *NU* may choose not to establish a guarantee for the provision of the transmission service by making advance payments. In such case the *NU* shall state its advance payment option instead of establishing a guarantee, to the *TSO*, in writing, within not more than two working days prior to the closing of the auction.

(2) The amount of the advance payment shall be equal to the monthly invoice estimated for the transmission services for the following period of use.

(3) The advance payment/advance payment invoice is offset against the settlement invoice of the month for which the payment was made.

(4) If such advance payment does not cover the amount of the settlement invoice for the relevant month, the difference shall be paid by the *NU* on the invoice due date.

### **III. – Liability**

**Art. 5** - (1) Failure to meet transmission service invoice payment obligation by the due date shall incur:

- a) delay penalties, calculated for the outstanding amount, equal to the default interest due for the non-payment of the budgetary obligations by the due date, for each day of day, starting with the 16<sup>th</sup> calendar day from the invoice issuing date and until its full payment, the payment date included, in case of failure to meet payment obligations by the due date;
- b) the withholding from the established financial guarantee of the necessary amount to cover the complete or partial failure to meet the payment obligation.

**Terms and conditions**  
**of the daily gas transmission contracts concluded as a result of the auctions for the capacity**  
**booking at the Csanadpalota interconnection point**

**I. – Payment and invoicing terms and conditions**

**Art. 1** – (1) The invoices issued according to paragraph (2) shall be paid within 5 days from the invoice date. If the due date is on a non-working day, this deadline shall be deemed as achieved on the next working day.

(2) The transmission services shall be invoiced as follows:

- a) on the day following the day for which it provided the transmission service the *TSO* shall issue and send to the *NU* an invoice for the capacity booked;
- b) within 15 working days from the end of the service provision month the *TSO* shall issue and send to the *NU* a settlement invoice for the transmission service provided, based on the monthly allocation.

**II. – Guarantees**

**Art. 2** The participation guarantee shall become payment guarantee.

**III. – Liability**

**Art. 3** – Failure to meet transmission service invoice payment obligation by the due date shall incur:

- a) delay penalties, calculated for the outstanding amount, equal to the default interest due for the non-payment of the budgetary obligations by the due date, for each day of day. Thus:
  - i. starting with the 6<sup>th</sup> calendar day from the booked capacity invoice issuing date and until its full payment, the payment date included, in case of failure to meet payment obligations by the due date;
  - ii. starting with the 16<sup>th</sup> calendar day from the settlement invoice issuing date and until its full payment, the payment date included, in case of failure to meet payment obligations by the due date;
- b) the withholding from the established financial guarantee of the necessary amount to cover the complete or partial failure to meet the payment obligation.

**Terms and conditions  
of the gas transmission contracts concluded as a result of the auctions for the interruptible  
capacity booking at the Csanadpalota interconnection point**

**I. – Conditions for the limitation/interruption of the interruptible transmission capacity**

**Art. 1** - (1) The *TSO*, acting fairly and prudently, is entitled to limit/interrupt the interruptible capacity booked by the *NU* in the transmission direction Romania – Hungary in order to ensure the safe and balanced operation of the NTS, if the sum of the nominations matched in the Romania exit direction is higher than the sum of the nominations in the Romania entry direction by more than the firm capacity offered in the Romania exit direction.

(2) *OST* shall inform the *NU* with regard to the limitation/interruption of the interruptible transmission capacity and to the estimated duration of the limitation/interruption under paragraph (1), mentioning the cause of such limitation/interruption.

**II. – *TSO*'s rights and obligations**

**Art. 2** - The *TSO* shall be entitled to limit or interrupt, as applicable the interruptible transmission services according to Art. 1.

**III. – *NU*'s rights and obligations**

**Art. 3** - The *NU* shall be entitled to unconditionally accept the limitation/interruption of the interruptible transmission capacity according to Art. 1.