

NOTICE: The English version of this Order is available for information purposes only. In the event of any discrepancies arising between the Romanian language version and the English language version, the provisions of the Romanian language version shall be legally binding.

ORDER

on measures for the implementation 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

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 – From 10 December 2014 to 31 October 2015, the booking of the available 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, compliant with the operational rules of such platform, in accordance with the provisions of the Capacity Allocation Agreement concluded between the National Gas Transmission Company Transgaz S.A. Medias and Foldgazzszallito Zartkoruen Mukodo Reszvenytarsasag – FGSZ Ltd., the Hungarian Transmission System Operator.

Art. 2 – The capacity products offered by the National Gas Transmission Company Transgaz S.A. Medias through auctions held on the Regional Booking Platform shall be monthly firm standard bundled transmission capacity products at the Csanadpalota interconnection point, on both gas flow directions, from Romania to Hungary and from Hungary to Romania.

Art. 3 – By derogation from the provisions 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 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 Regional Booking Platform, shall include the following documents:

- a) `General terms and conditions of the gas transmission contracts concluded as a result of the auctions for the allocation of bundled capacity at the Csanadpalota interconnection point`, constituting Annex 1;
- b) Statutory declaration, signed by the legal or conventional representative of the Network User, prepared in accordance with the template presented in Annex 2;
- c) Electronic confirmation of the successful auction held on the Regional Booking Platform sent by the Platform operator.

Art. 4 – The National Gas Transmission Company Transgaz S.A. Mediaş shall publish on its website the operational rules of the Regional Booking Platform and the `General terms and conditions of the gas transmission contracts concluded as a result of the auctions for the allocation of bundled capacity at the Csanadpalota interconnection point` 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 bundled capacity at the Csanadpalota interconnection point shall be validated by the National Gas Transmission Company Transgaz S.A. subject to the fulfilment of the following cumulative conditions:

- a) The Network User shall present to the Transmission System Operator the licence / authorization issued / accepted by the National Energy Regulatory Authority;
- b) The Network User shall make a statutory declaration before the Transmission System Operator, under Art. 3, letter b); the declaration shall be submitted to the National Gas Transmission Company Transgaz S.A. Mediaş together with the financial guarantee under letter c);
- c) The Network User shall present a financial guarantee in favour of the Transmission System Operator for establishing the credit line to be granted by the Transmission System Operator to the Network User for participation in the auction for bundled capacity booking.

Art. 6 – (1) The Network User shall be entirely responsible for estimating the level of the financial guarantee at Art. 5, letter c) based on the auction clearing price it would pay, so that the value of the financial guarantee may cover the entire countervalue of the transmission services required. Thus:

- a) For bundled capacity requested at the Csanadpalota interconnection point, on the Romania exit direction, the financial guarantee shall cover the countervalue of the capacity requested and the countervalue of the volumetric component of the gas quantities considered to be transmitted at the level of the bundled capacity requested;

b) For bundled capacity requested at the Csanadpalota interconnection point, on the Romania entry direction, the financial guarantee shall cover the countervalue of the capacity requested.

(2) The financial 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. Such financial guarantee shall become a gas transmission contract performance guarantee if the Network User books bundled capacity at the Csanadpalota interconnection point following successful auction, remaining at the disposal of the Transmission System Operator over the entire duration of the gas transmission contract concluded after the auction and 30 calendar days from the date of contract expiration.

(3) The financial guarantee under paragraph (2) shall be returned to the Network User who had established such guarantee, according to the conditions stipulated in the specific guarantee instrument.

(4) The credit limit granted to the Network User for participation in the auction for bundled capacity booking shall be equal to the level of the financial guarantee covering the countervalue of the capacity requested.

Art. 7 – Annex 1 and 2 are part of this Order.

Art. 8 – The National Gas Transmission Company Transgaz S.A. Mediaş and the National Transmission System 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. 9 – This Order shall be published in the Official Journal of Romania, Part I.

President of the National Energy Regulatory Authority

Niculae Havrileţ

Bucharest, 3 December 2014.

No. 143

GENERAL TERMS AND CONDITIONS

of the gas transmission contracts concluded as a result of the auctions for the allocation of bundled capacity at the Csanadpalota interconnection point

I. – Terminology; laws and other applicable documents

Art. 1 - (1) The terms used in the gas transmission 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 as the *Network Code of the NTS* .

(2) The provisions of the gas transmission contracts are supplemented with 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 of the NTS, capacity allocation agreements and operation agreements regarding the Csanadpalota interconnection point and concluded between the National Gas Transmission Company Transgaz S.A. Medias and Foldgaszallito Zartkoruen Mukodo Reszvenytarsasag - FGSZ Ltd., and the Operational Rules of the Regional Booking Platform.

II. Scope of contract

Art. 2 - (1) Based on this gas transmission contract, hereinafter referred to as the *Contract*, gas transmission services shall be provided on a firm basis, such services designating all the activities and operations carried out by the Transmission System Operator for or in connection with transmission capacity booking at the Csanadpalota interconnection point and, as appropriate, transmission of gas quantities expressed in units of energy through the National Transmission System (*NTS*), according to the Operation Agreement concluded between the National Gas Transmission Company Transgaz S.A. Medias and Foldgaszallito Zartkoruen Mukodo Reszvenytarsasag – FGSZ Ltd.

(2) The Transmission System Operator, hereinafter referred to as the *TSO* and the Network User, hereinafter referred to as the *NU*, shall note the fact that under the Contract bundled capacity is booked at the Csanadpalota interconnection point in accordance with the Operational Rules of the Regional Booking Platform.

(3) The TSO and the NU shall clearly express their consent to the entry into force of the Contract at the same date of entry into force of the pair capacity booking contract on the Hungarian side.

(4) The bundled 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 auction organized in accordance with the Operational Rules of the Regional Booking Platform.

(5) The quantities of gas delivered by the TSO and taken over by the NU at the Csanadpalota exit point under the Contract shall be delivered by the NU and taken over by the TSO at the NTS entry points where the NU booked capacity according to the existing gas transmission contracts.

(6) The quantities of gas delivered by the NU and taken over by the TSO at the Csanadpalota entry point under the Contract shall be delivered by the TSO and taken over by the NU at the NTS exit points where the NU booked capacity according to the existing gas transmission contracts.

III. – Contract duration

Art. 3 - (1) The Contract shall be concluded for one month, starting at 5:00 a.m. UTC of the first day of the month and ending at 5:00 a.m. UTC of the first day of the following month for winter time, and from 4:00 a.m. UTC of the first day of the month and ending at 4:00 a.m. UTC of the first day of the following month for summer time.

(2) The month and the year for which the Contract is concluded according to paragraph (1) are mentioned in the electronic confirmation of the successful auction on the Regional Booking Platform sent by the Platform operator.

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 shall be determined in accordance with the applicable laws.

(2) The gas quantities circulated through the NTS entry/exit points shall comply with the minimum quality specifications established by the applicable laws.

V. – Price. Payment terms and conditions

Art. 5 - (1) The NU shall pay to the TSO the countervalue of the transmission capacity booked based on the auction clearing price and, as appropriate, the volumetric component tariff approved by ANRE for the amount of gas transmitted based on the final allocation.

(2) The auction reserve price is obtained by the application of the reference conditions conversion factors according to SR ISO 13443 (‘Natural gas - Standard reference conditions’) to the Csanadpalota interconnection point capacity booking tariffs approved by the National Energy Regulatory Authority.

(3) The NU shall pay to the TSO additionally, as appropriate, the tariffs established in the Network Code of the NTS.

(4) The TSO shall send to the NU an invoice for the transmission capacity allocated, based on the

auction clearing price, according to the electronic confirmation of the successful auction on the Regional Booking Platform sent by the Platform operator within 5 working days from the contract date. The invoice shall be paid within 5 working days from invoice transmission.

(5), The TSO shall send to the NU two separate invoices (hereinafter referred to as 'monthly invoices') based on the final allocations for the previous months Within 10 working days from the end of the month, meaning:

- a) one invoice for the quantities of gas transmitted based on the final allocations for the previous month, and
- b) one invoice for the imbalances of the previous month, based on the final allocations by the application of the GTF, as appropriate.

(6) The invoices issued by the TSO according to paragraph (5) shall be paid within 15 calendar days from invoice transmission. If the due date is a bank holiday, then such date shall be the next working day.

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

VI. – Transmission System Operator's rights and obligations

Art.6. TSO shall be entitled to:

- a) receive the countervalue of services provided and of the delay penalties;
- b) execute the guarantee submitted by the NU in case of failure to pay the invoices issued until their maturity date;
- c) limit or to interrupt the provision of the firm transmission services if the NU does not comply with the provisions of the documents under Art. 1, paragraph (2), notifying the NU of such limitation or interruption;
- d) refuse to take over in the NTS the gas non-compliant with the minimum quality specifications established by the applicable laws;
- e) invoice, as appropriate, the countervalue of the imbalances incurred, based on the tariffs provided in the Network Code of the NTS;
- f) invoice to the NU the countervalue of the transmission services provided, based on the clearing price for the capacity booked and, as appropriate, the volumetric tariff for the quantity of gas transmitted, the delay penalties included;
- g) limit or interrupt, as appropriate, the provision of the firm transmission services in order to remedy any damages occurred to the NTS, notifying the NU of such limitation or interruption within maximum 6 hours;
- h) respond to and solve the NU's complaints with regard to the provision of the transmission services, according to the laws in force;

- i) all other rights under the documents mentioned at Art. 1, paragraph (2).

Art. 7 – The TSO shall:

- a) enable the access of the NU to the data/documents substantiating invoice issuance if such NU is disputing the relevant invoice;
- b) take over from, transmit to and deliver to the NU the quantities of energy in accordance with the nominations/re-nominations approved and compliant with the quality specifications established by the applicable laws;
- c) have all the other obligations under the documents mentioned 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) all other rights under the documents mentioned at Art. 1, paragraph (2).

Art. 9 - The NU shall:

- a) pay on time and in full the invoices issued by the TSO for the countervalue of the transmission services provided and, as applicable, the delay penalties;
- b) have all the other obligations under the documents mentioned at Art. 1, paragraph (2).

VIII. – Confidentiality

Art. 10 - (1) The Parties shall keep all data, documents and information obtained during the execution of the Contract confidential.

(2) The following data, documents and information represent exceptions according to paragraph (1):

- a) data, documents and information which can be disclosed based on the documents mentioned at Art. 1, paragraph (2);
- b) data, documents and information for the disclosure of which the other Party has given its written consent;
- c) data, documents and information requested by the competent governmental bodies, based on a legal information obligation.

(3) The provisions of this Article shall remain in force for a period of 5 years from Contract expiration.

IX. – Contract Liability

Art. 11 - (1) Failure to pay the invoice within the term set under Art. 5, paragraph (4) shall determine the execution of the guarantee established in accordance with Art. 5, letter c) of Order No. 143/2014 of the President of the National Energy Regulatory Authority on measures for the implementation 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) Failure to pay the invoice within the term set under Art. 5, paragraph (6) shall incur:

- a) delay penalties related to the unpaid amount, equal to the interest due for the non-payment in due time of the budgetary obligations, for each day of delay, starting with the 16th calendar day from the invoice transmission date until its full payment, the payment date included, in the case of failure to fulfil the payment obligation by the maturity date
- b) the retaining of the necessary amount covering total or partial non-payment of the issued invoices out of the financial guarantee established in accordance with Art. 5, letter c), of Order No. 143/2014 of the President of the National Energy Regulatory Authority.

Art. 12 – The NU shall be entitled to claim for damages and receive compensation for them, according to the law, to cover the entire prejudice suffered if the TSO, from its own fault, does not fulfil its obligation to provide gas transmission services and any other obligations under the Contract.

X. – Force Majeure / Act of God

Art. 13 - (1) Force majeure is any external, unpredictable, absolutely invincible and inevitable event, releasing any defaulting Party from liability, under Art. 1.351 of the Civil Code.

(2) If the Force Majeure event does not cease within 15 days, either Party shall be entitled to request the Contract termination, de jure, neither party being entitled to indemnity.

(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. 14 - (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.

(2) The Parties shall be released from liability when the performance of an obligation becomes impossible due to circumstances beyond the Party who had to meet such obligation.

XI. – Termination

Art. 15 - (1) The Contract shall terminate:

- a) at Contract validity expiration;
- b) by operation of law, through the termination of the pair contract concluded between the NU and Foldgazzallito Zartkoruen Mukodo Reszvenytarssasag – FGSZ Ltd.;
- c) by the tripartite agreement of FGSZ, the National Gas Transmission Company Transgaz SA Medias and the NU, for whatever reason;
- d) as a result of a Force Majeure /Act of God event, according to the Contract.

(2) The termination of the Contract shall bear no effect on the contract obligations resulting from the execution of the Contract, until its termination date.

XII. – Notifications

Art. 16 - (1) Over the entire validity of the Contract, the Parties shall notify each other with regard to any change of the circumstances considered on the date of Contract signature, at the address mentioned in the Regional Booking Platform NU Member Registration Form and on the website of the National Gas Transmission Company Transgaz SA Medias.

(2) The notification period shall be of maximum 3 calendar days from the change of the circumstances, unless otherwise foreseen by the contract.

(3) The notification methods shall be established by the mutual agreement of the Parties, in accordance with the Network Code of the NTS.

XIII. – Applicable Law and Settlement of the Disputes

Art. 17 - (1) The provisions of the Contract shall be governed by and construed in accordance with the Romanian law.

(2) The Parties agree to amicably settle all misunderstandings related to the validity, interpretation, execution and termination of the Contract. If no amicable settlement is reached, any dispute shall be referred to the competent courts of law.

XIV. – Assignment

Art. 18 - (1) Neither Party shall be entitled to assign to a third party in any way, totally or partially, its rights and/or obligations established by this Contract, except with the explicit written agreement of Foldgazzallito Zartkoruen Mukodo Reszvenytarssasag FGSZ LTD., the National Gas Transmission Company Transgaz S.A. Medias and the NU, agreement which cannot be refused without a reason.

(2) The intention to assign shall be notified to the other Parties at least 5 working days prior to the assignment target date.

(3) The notified Parties shall send a reasoned reply within no more than 3 working days from the registration of the notification.

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], hereby declare to my best knowledge that:

- ✓ I have read and accept all the provisions of the `Operational Rules of the Regional Booking Platform`, at the basis of the Csanadpalota interconnection point bundled transmission capacity auction, which will be held on ;

I have read and accept all the provisions of the `General terms and conditions of the gas transmission contracts concluded as a result of the auctions for the allocation of bundled capacity at the Csanadpalota interconnection point`, under Annex 1 of Order No. 143/2014 of the President of the National Energy Regulatory Authority on measures for the implementation 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, constituting, together with this declaration and the automate electronic confirmation of the successful auction on the Regional Booking Platform, the gas transmission *Contract* concluded between the National Gas Transmission Company Transgaz S.A. Mediaş and [name of Network User] after the auction held on..... .

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.