

OPERATING PROCEDURES

1. General provisions

- 1.1 In addition to the definitions in the *general conditions*, for the purposes of this Appendix 5, except where the context expressly provides otherwise, the following terms shall have the meanings ascribed thereto below.

"*customer code*":

means the unique code, assigned by *GTS* upon acceptance of the *general conditions*, used for the identification of *agreements*, **(re)nominations** and **confirmations** within one **portfolio** under the *general conditions*. For agreements not governed by the *general conditions*, *GTS* can apply one or more extra codes to identify its counterpart as a party to those agreements.

"*downstream party*":

means a third party receiving **gas** from **shipper** or **trader** at the **exit point**.

"*matching notice*"

refers to the message - per **portfolio** - on *N* - 1 from *GTS*'s Dispatching Centre (CCP) to **shipper** indicating with respect to border points for *N*:

- nominated **hourly** quantities of **gas** accepted by *GTS* and the *NNO* to be offtaken by **shipper** from one or more third parties at an **entry point**; and
- nominated **hourly** quantities of **gas** accepted by *GTS* and the *NNO* to be made available by **shipper** to one or more third parties at an **exit point**.

"*N*":

means the **gas day** at which transmission and/or other services for which is nominated are meant to be performed by *GTS*, and *N* - 1 means the **gas day** preceding *N*.

"*pair of customer codes*":

means the *customer code* of **shipper** or **trader** together with the *customer code* of an *upstream party* or a *downstream party* under a **(re)nomination** made by **shipper** or **trader**,

or

the *customer code* of such *upstream party* or *downstream party* together with the *customer code* of **shipper** or **trader** under a **(re)nomination** made by such *upstream party* or *downstream party*.

"*upstream party*":

means a third party delivering **gas** to **shipper** or **trader** at the **entry point**.

- 1.2 *GTS* and **shipper** or **trader** shall conduct their respective operations in a prudent and efficient manner. This particularly applies to informing each other in a co-operative manner and, as soon as reasonably possible, of any foreseeable condition or occurrence which could affect the quantity, quality or pressure of **entry** or **exit gas**.
- 1.3 In order to be able to execute the above, both *Parties* shall be reachable twenty-four **hours** a day and every day of the year by phone and any agreed other communication system.
- 1.4 All documents, notices or other information required to be given under this Appendix 5 shall be exchanged by a secure data communication system agreed between *Parties*.
- 1.5 *Parties* shall use NOMINT and NOMRES messages according to Edig@s, as the protocol for exchanging dispatching information, where Edig@s is a subset of 'EDI/EDIFACT' (Electronic Data Interchange/Electronic Data Interchange for Administration Commerce and Transport) as described in detail at <http://www.edigas.org>, unless agreed otherwise in writing. More

information on the technical requirements regarding electronic communication with *GTS* will be published at the *website*.

- 1.6 A communication test will be performed by *GTS* to check whether **shipper** or *trader* has the means of exchanging messages with *GTS* according to the Edig@s protocol. A communication check takes five **business days** and the result can either be positive or negative. As long as this result is not positive, **(re)nominations** from **shipper** or *trader* will be deemed to be zero.
- 1.7 In case **shipper** or *trader* is temporarily not able to use Edig@s messages, because of e.g. system malfunction, **shipper** or *trader* can request the *GTS* dispatching centre to temporarily exchange messages through other means than Edig@s. *GTS* shall determine if such a request can be granted. If so, *GTS* will confirm this in writing and will determine the applicable conditions. As a *reasonable and prudent operator*, **shipper** or *trader* will take appropriate action to restore, as soon as possible, its ability to send messages through Edig@s.
- 1.8 **(Re)nominations** and **confirmations** regarding balancing relations at the *TTF* shall include the capital "B" and shall contain a value (expressed as a percentage) to indicate the percentage to which part the supplying **shipper** ('shipper A') in the balancing relation will balance the allocation regarding the ex ante undetermined quantity of **gas** of the receiving **shipper** ('shipper B') in the balancing relation. Furthermore, **(re)nominations** and **confirmations** regarding balancing relations at the *TTF* may include a *user category*.
- 1.9 **(Re)nominations** that refer to border points may be processed in accordance with EASEE-gas recommendation CBP 2003-002-01Rev3, which means that *GTS* sends **shipper** a *matching notice* informing **shipper** about the status of the **(re)nomination** for each *pair of customer codes* for **shipper**.
- 1.10 A **(re)nomination** with respect to **entry gas** to be offtaken by **shipper** or *trader* from an *upstream party* (and therefore to be made available by **shipper** or *trader* to *GTS*) shall be (re)nominated with code Z02 or with a negative sign*).

A **(re)nomination** with respect to **exit gas** to be made available by **shipper** or *trader* to a *downstream party* (and therefore to be made available by *GTS* to **shipper** or *trader*) shall be (re)nominated with code Z03 or without a sign*).

A **(re)nomination** in a balancing relation with respect to **entry gas** to be offtaken by **shipper** or *trader* from an *upstream party* at the *TTF* shall be (re)nominated with code Z02 or with a negative sign*).

A **(re)nomination** in a balancing relation with respect to **exit gas** to be made available by **shipper** or *trader* to a *downstream party* at the *TTF* shall be (re)nominated with code Z03 or without a sign*).

- 1.11 In a **confirmation** with respect to **entry gas** to be offtaken by **shipper** or *trader* from an *upstream party* (and therefore to be made available by **shipper** or *trader* to *GTS*), *GTS* shall use code Z02 or the negative sign*).

A **confirmation** with respect to **exit gas** to be made available by **shipper** or *trader* to a *downstream party* (and therefore to be made available by *GTS* to **shipper** or *trader*) shall be with code Z03 or without a sign*).

In a **confirmation** with respect to a balancing relation regarding **entry gas** to be offtaken by **shipper** or *trader* from an *upstream party* at the *TTF*, *GTS* shall use code Z02 or the negative sign*).

A **confirmation** with respect to a balancing relation regarding **exit gas** to be made available by **shipper** or **trader** to a **downstream party** at the **TTF** shall be with code Z03 or without a sign^{*)}.

- 1.12 In a **matching notice** with respect to **entry gas** to be offtaken by **shipper** or **trader** from an **upstream party** (and therefore to be made available by **shipper** or **trader** to **GTS**), **GTS** shall use the code Z02^{*)}.
- 1.13 In a **matching notice** with respect to **exit gas** to be made available by **shipper** or **trader** to a **downstream party** (and therefore be made available by **GTS** to **shipper** or **trader**), **GTS** shall use the code Z03^{*)}.
- 1.14 **Confirmations** shall be used for allocation and can be used for operation. **Confirmations** do not relieve **shipper** or **trader** of its responsibility for balancing.
- 1.15 A **(re)nomination** at a border point resulting in a **pair of customer codes** that both refer to **portfolios** in the **national grid**, is rejected. However, **GTS** allows, if requested in advance, a combination of **(re)nominations** of on the one hand a **pair of customer codes** of one **shipper** referring to its **wheeling portfolio** and its regular **portfolio** and on the other hand a **pair of customer codes** referring to this **wheeling portfolio** and a portfolio of an **upstream party** or a **downstream party** in the grid of an **NNO**.

^{*)} For **shipper** who has indicated to use Edig@s version 3.2 or higher. In case **shipper** is using Edig@s version 3.2. or higher, any sign in combination with an Edig@s code will be ignored.

2. Nominating procedure for points other than TTF

- 2.1 **Shipper** shall make a **nomination** for each **portfolio** for each **hour** of each **N** for each **entry point** or **exit point**. Any **(re)nomination** shall contain the **customer codes** of the relevant **upstream parties** and **downstream parties** for each **hour** and, taking into account the sign convention as provided for in Article 1.10 of this Appendix 5, the quantities of **gas** to be offtaken by **shipper** from such **upstream parties** and quantities of **gas** to be made available by **shipper** to such **downstream parties**.
- 2.2 **Shipper** may send a **nomination** up to 179 **gas days** in advance of **N**. A **(re)nomination** will remain valid until it is replaced by a **renomination**.

In case **shipper's (re)nomination** for one or more **hours** exceeds the **entry capacity** or **exit capacity** for an **entry point** or **exit point** for said **hour(s)**, it shall be deemed not to have been issued. **GTS** shall notify **shipper** of the rejection of the **nomination**.

- 2.3 **GTS** may grant exemption from the obligation to nominate for specific **entry points** or **exit points** in the following cases, unless transmission circumstances prohibit such an exemption (e.g. **GTS** manages the flow at the **entry point** or **exit point** in question on the basis of **confirmations** to all **shippers** and has notified the **shippers** thereof in writing):
 - a) **shipper** is the only **shipper** or only balancing **shipper** at the particular **entry point** or **exit point** where no **interruptible** capacity is booked; or
 - b) **shipper** is the only **shipper** with an allocation role other than 'no allocation' as described in Appendix 6 at the particular **entry point** or **exit point**; or
 - c) **shipper** has the role 'no allocation' at the specific **entry point** or **exit point**; or
 - d) the allocation at the **exit point** is based on profiles.

3. Nominating procedure for TTF

3.1 **Shipper** or **trader** shall make a **nomination** for each **portfolio** for each **hour** of each *N* for the *TTF*. A **nomination** may relate to more than one consecutive **gas days**. A **(re)nomination** shall contain for each **hour** the *customer codes* of all *upstream parties* and *downstream parties* and, taking into account the sign convention or Edig@s codes as provided for in Article 1.10 of this Appendix 5, the quantities of **gas** to be offtaken by **shipper** or **trader** from such *upstream parties* and quantities of **gas** to be made available by **shipper** or **trader** to such *downstream parties*.

A **(re)nomination** within a balancing relation at the *TTF* for an ex ante undetermined quantity of **gas** shall contain the *customer codes* of all *upstream parties* and *downstream parties* for each **hour** and, taking into account the sign convention or Edig@s codes as provided for in Article 1.10 of this Appendix 5, the percentage reflecting to which extent the ex ante undetermined quantity of **gas** is to be offtaken by **shipper** as the receiving **shipper** ('shipper B') from such *upstream parties* and the percentage reflecting to which extent the ex ante undetermined quantity of **gas** is to be made available by **shipper** as the supplying **shipper** ('shipper A') to such *downstream parties*.

In any **hour**, in case **shipper**, in the role of receiving *Party* in a balancing relation at the *TTF*, issues **nominations** for that **hour** related to a balancing relation as well as not related to a balancing relation (but for its own use), **shipper** shall for the latter nomination use the *customer code* 'OWNUSE' to designate the *downstream party*.

3.2 **Shipper** or **trader** may send a **nomination** up to 400 **gas days** in advance of *N*. However, a **nomination** by **shipper** in a balancing relation as referred to in Article 4.A.5.4 of the *general conditions* referring to any **hour** after 1 April 2011 will be invalid even if confirmed by GTS.

If no *user category* is specified in the **nomination**, this means the **nomination** is intended for all *user categories*.

If in any **hour**, **shipper**, in the role of receiving **shipper** in a balancing relation, submits **nominations** for balancing relations with more than one *upstream party*, and if the sum of the percentages in these **nominations** for a particular *user category* exceeds 100%, then the last **nomination** leading to the excess of 100% shall be deemed not to have been issued. GTS shall notify **shipper** of the rejection of the entire **nomination**.

Only **(re)nominations** prior to or within *N* regarding **hour** H, received by GTS at least thirty minutes prior to that **hour** H, are taken into account by GTS as of that **hour** H.

3.3 The nominating procedure for a *gas exchange operator* or its *clearing party* and its customers differs from the above as follows. A *gas exchange operator* or its *clearing party* shall (re)nominate, not only for itself, but also instead and on behalf of its customers regarding **(re)nominations** with that *gas exchange operator* or its *clearing party* as counter party.

4. Confirmation and matching for points other than *TTF*

4.1 In validating **(re)nominations** GTS shall apply the following rules:

- if the *pairs of customer codes* are not equal, the quantities of **gas** (re)nominated by **shipper** shall be deemed to be zero with respect to such *pairs of customer codes* (zero rule); and
- if the (re)nominated sign or Edig@s code (by **shipper**) with respect to a *pair of customer codes* is equal to the (re)nominated sign or Edig@s code of the relevant *upstream party* or *downstream party*, the (re)nominated quantity (by **shipper**) shall be deemed to be zero with respect to such *pairs of customer codes* (zero rule); and

- if the (re)nominated quantity of **gas** (by **shipper**) with respect to a *pair of customer codes* is not equal to the (re)nominated quantity of **gas** of the relevant *upstream* or *downstream party*, the (re)nominated quantity (by **shipper**) shall be deemed to be equal to the smallest quantity of **gas** of such **(re)nominations** with respect to such *pairs of customer codes* (lesser rule), unless explicitly stated otherwise.
- 4.2 For border points where the **nominations** on *N-1* are processed in accordance with EASEE-gas recommendation CBP 2003-002-01Rev3, *GTS* will issue a **matching notice** as soon as reasonably possible after validation of the **nomination** between 15:00 and 16:00 hours on *N-1*. For each **hour** of *N* any **matching notice** shall contain the *customer codes* of the relevant *upstream parties* and *downstream parties*, the accepted quantities of **gas** to be offtaken by **shipper** from such *upstream parties* and quantities of **gas** to be made available by **shipper** to such *downstream parties*, taking into account the sign convention or Edig@s codes as provided for in Article 1.10 of this Appendix 5.
- 4.3 After validation and matching *GTS* shall issue a **confirmation**. For each **hour** of *N* any **confirmation** shall contain the *customer codes* of the relevant *upstream parties* and *downstream parties*, the quantities of **gas** to be offtaken by **shipper** from such *upstream parties* and quantities of **gas** to be made available by **shipper** to such *downstream parties*. *GTS* may send a new **confirmation** due to changes in the results of validation and/or matching.
- 4.4 *GTS* shall send a **confirmation** for *N* to **shippers** obliged to nominate as soon as reasonably possible between 14:00 hours and 16:00 hours on *N - 1*.
- For border points where the **(re)nominations** on *N-1* are processed in accordance with EASEE-gas recommendation CBP 2003-002-01Rev3, *GTS* shall send a **confirmation** for *N* to **shippers** as soon as reasonably possible between 16:00 and 18:00 hours on *N-1*.
- In case of a **renomination** *GTS* shall send a **confirmation** as soon as reasonably possible, in any case before the beginning of the **hour** to which the **confirmation** refers.
- With respect to allocation regarding *N* *GTS* shall use the quantities indicated in the latest **confirmation** referring to *N*.
- 4.5 **(Re)nominations** for the use of *interruptible* capacity will be confirmed if possible, taking into account the **(re)nominations** and **confirmations** for the use of firm capacity. *GTS* will maintain the order following from the timestamp, i.e. the date and time of receipt of the complete request as registered by *GTS*. In case **(re)nominations** for the use of *interruptible* capacity cannot be confirmed, **shipper** may indicate the order of interruption of its counterparties in a neighbouring network.
- 4.6 In case *GTS* is facing constraints with respect to the deliveries and offtakes at an **entry point** or **exit point** (including **entry** or **exit gas** which does not comply with the quality and/or pressure provisions of an *agreement*) in such a way that a **nomination** cannot be met, *GTS* shall issue a new **confirmation**.
- 4.7 If **shipper** does not or not in time follow the **nomination** instruction of Article 4.B.5 or Article 4.B.6 of the *general conditions*, *GTS* may issue a **confirmation** in conformity with the aforementioned instruction. *GTS* will use this **confirmation** for allocation. In the application of Article 2.12.1 and Article 4.B.6 of the *general conditions*, *GTS* will by prior notice inform – by email or otherwise – all **shippers** or *traders* at the *TTF*, of the name of the **shipper** or *trader* with respect to which *GTS* will issue a **nomination** instruction or with respect to which *GTS* will suspend the performance of the *title transfer registration service* and of the commencement of such **nomination** instruction or suspension. **Nominations** of the suspended **shipper** or *trader* and its counter *Party* with respect to the *TTF* regarding such suspension period will be ignored.

5. Confirmation and matching for *TTF*

- 5.1 A **(re)nomination** received in time by *GTS* is validated against the conditions of an *agreement* and matched with the **(re)nominations** of **shippers** or **traders**.
- 5.2 Once both *Parties* involved in a transaction at the *TTF* have received a **confirmation** for any **hour** with the status 'settled', the status of the match cannot be changed unilaterally by either one of the *Parties*. Only in case both **shipper** or **trader** and the other *Party* involved submit new and matching **(re)nominations**, *GTS* will send new **confirmations** with the status 'settled' to replace the original result.
- 5.3 In the execution of Article 5.1 of this Appendix 5, *GTS* shall apply the following rules:
- if the *pairs of customer codes* do not correspond, the quantities of **gas** (re)nominated by **shipper** or **trader** shall be deemed to be zero with respect to such *pairs of customer codes* (zero rule); and
 - if the (re)nominated sign or Edig@s codes (by **shipper** or **trader**) with respect to a *pair of customer codes* is equal to the (re)nominated sign or Edig@s codes of the relevant *upstream party* or *downstream party*, the (re)nominated quantity (by **shipper** or **trader**) shall be deemed to be zero with respect to such *pairs of customer codes* (zero rule); and
 - if for any **hour** *GTS* has sent no prior **confirmation** with the status 'settled' then, in case the (re)nominated quantity of **gas** (by **shipper** or **trader**) with respect to a *pair of customer codes* is not equal to the (re)nominated quantity of **gas** of the relevant *upstream* or *downstream party*, the (re)nominated quantity of **gas** (by **shipper** or **trader**) shall be deemed to be equal to the smallest quantity of **gas** of such **(re)nominations** with respect to such *pairs of customer codes* (lesser rule), unless explicitly stated otherwise; and
 - in case of balancing relations, if for any **hour** *GTS* has sent no prior **confirmation** with the status 'settled' then, in case the (re)nominated sign or Edig@s codes (by **shipper** or **trader**) with respect to a *pair of customer codes* is equal to the (re)nominated sign or Edig@s codes of the relevant *upstream party* or *downstream party*, the (re)nominated percentage (by **shipper** or **trader**) shall be deemed to be zero with respect to such *pairs of customer codes* (zero rule); and
 - in case of balancing relations, if for any **hour** *GTS* has sent no prior **confirmation** with the status 'settled' then, in case the (re)nominated percentage or *user category* (by **shipper** or **trader**) with respect to a *pair of customer codes* is not equal to the (re)nominated percentage and *user category* of the relevant *upstream* or *downstream party*, the percentage will be deemed to be zero (zero rule).
- 5.4 For any **hour**, **shipper** or **trader** receives a **confirmation** by *GTS* with the status 'settled' in case the *pairs of customer codes* are equal, the signs or Edig@s codes are opposite, the quantities of **gas** are equal within a range of acceptable differences of 28 kWh and, if relevant, the *user categories* are equal.

In case of a **(re)nomination** for a balancing relation, for any **hour shipper** or **trader** will receive a **confirmation** by *GTS* with the status 'settled' in case the *pairs of customer codes* are equal, the signs or Edig@s codes are opposite, the percentages and, if relevant, the *user categories* are equal.

- 5.5 After validation and matching *GTS* issues a **confirmation**. For each **hour** of *N* any **confirmation** shall contain the *customer codes* of the relevant *upstream parties* and *downstream parties*, the quantities of **gas** to be offtaken by **shipper** or **trader** from such *upstream parties* and quantities of **gas** to be made available by **shipper** or **trader** to such *downstream parties* or, if **(re)nominations** at the *TTF* concerning balancing relations are considered, the percentages of balancing relations to be offtaken by **shipper** or **trader** from such *upstream parties* (and, if relevant, the *user category*) and percentages of balancing relations to be made available by **shipper** or **trader** to such *downstream parties* (and, if relevant, the *user category*).

The **confirmation** will be equal to the **(re)nomination**, provided the lesser rule was not applied. The **confirmation** will be equal to the **(re)nomination**, provided the zero rule was not applied in case of nominating percentages. *GTS* may send a new **confirmation** due to changes in the results of validation and/or matching.

- 5.6 *GTS* shall send a **confirmation** for *N* to **shipper** or **trader** as soon as reasonably possible after the beginning of the first **hour** after thirty minutes from the receipt of the **(re)nomination**. *GTS* shall in any case send a **confirmation** before the beginning of the **hour** to which the **confirmation** refers.

With respect to allocation regarding *N* *GTS* shall use the quantities indicated in the latest **confirmation** referring to *N* with the status 'settled'.

It is the responsibility of **shipper** or **trader** to check for the receipt of the **confirmation**, to take notice of the content of the **confirmation** and to decide if further actions by **shipper** or **trader** are required.

- 5.7 The **confirmation** and matching for a *gas exchange operator* or *clearing party* and its customers differs from the above as follows. A single sided **(re)nomination** *GTS* receives from a *gas exchange operator* or its *clearing party* is deemed a match. Counter *Parties* of the *gas exchange operator* or its *clearing party* receive a **confirmation**.

6. Addresses

6.1 *GTS*

Telephone: +31 50 521 15 00 (dispatching centre)
 +31 50 521 91 11 (switchboard, only during office hours)

Telefax: +31 50 521 15 75 (dispatching centre)
 +31 50 521 19 99 (switchboard, only during office hours)

Address : Gas Transport Services B.V.
 Concourslaan 17
 9727 KC GRONINGEN or
 P.O. Box 181
 9700 AD GRONINGEN

6.2 **Shipper** or **trader**

Directly after signing of an *agreement*, **shipper** or **trader** shall provide *GTS* with its relevant addresses.