

Appendix 2 to the “Balancing Group Contract Terms & Conditions”

Supplementary Energy Balancing Provisions for Biogas

§ 1 Object of the Contract

This agreement sets out the provisions for the flexible energy balancing service provided in respect of biogas inputs and offtakes as required under section 35 of the Access Regulations.

§ 2 Provisions Forming Part of the Contract

1. To form a Biogas Balancing Group Contract, the Balancing Group Manager must first enter into a general Balancing Group Contract in the relevant market area, the provisions of which will then be supplemented by the additional energy balancing provisions for biogas set out below.

2. On conclusion of this agreement on the basis of the supplementary energy balancing provisions for biogas set out herein the following provisions of the general Balancing Group Contract shall be disapplied:

- section 4(1) (Daily Energy Balancing),
- section 6 (Within-Day Obligations),
- section 14(1), (3) and (6) (Daily Imbalance Quantities),
- section 15 (Financial Settlement of RLM Quantity Differences),
- section 20(2) (Calculation of Billable Conversion Quantities).

This shall also apply where and to the extent that any other provision of the general Balancing Group Contract includes a reference to any of the above clauses.

3. Notwithstanding the provisions set out in section 28(1) sentence 1 of the general Balancing Group Contract, the Market Area Manager may in justified cases
- a) require the Balancing Group Manager to provide security in accordance with section 28 of the general Balancing Group Contract in conjunction with section 2(4) of the Biogas Balancing Group Contract for the purpose of securing any and all claims for payment arising under the Biogas Balancing Group Contract relating to the annual billing of the Biogas Balancing Group, including in particular the related billing of imbalances of the Biogas Balancing Group.
 - b) require the Balancing Group Manager to provide an advance payment in accordance with sections 28 and 29 of the general Balancing Group Contract in conjunction with section 2(5) of the Biogas Balancing Group Contract for the purpose of securing any and all claims for payment arising under the Biogas Balancing Group Contract relating to the positions to be billed monthly, including in

particular the monthly billing of SLP and RLM Balancing Neutrality Charges and VTP Fees.

4. Notwithstanding the provisions set out in section 28(6) of the general Balancing Group Contract, the amount of security to be provided in accordance with section 2(3) (a) shall be calculated as follows:
- a) If, at the time a new Biogas Balancing Group Contract is being entered into, security is required to be provided in accordance with section 28 of the general Balancing Group Contract, this shall amount to €10,000.
 - b) Where, after a new Biogas Balancing Group Contract has been entered into, security is required to be provided in accordance with section 28 of the general Balancing Group Contract, or the amount of security that has already been or is to be provided in accordance with (c) below is required to be adjusted (the date of the request for security or requested adjustment of the amount of security below is hereinafter referred to as the “Calculation Date”), the amount of security shall be calculated as follows:
 - (i) If the Calculation Date is in the first Balancing Period after the conclusion of the new Biogas Balancing Group Contract, the amount of the security to be provided is calculated by subtracting the determinable flexibility limit at the Calculation Date from the negative imbalances that arose in the relevant Biogas Balancing Group at the Calculation Date and multiplying the resulting volume in kWh by the last SLP reconciliation price¹ in €/kWh published by the Market Area Manager prior to the Calculation Date. The negative imbalances that arose in the relevant Biogas Balancing Group within the meaning of the above sentence are determined based on the cumulative imbalance between cumulative inputs and offtakes on all gas days from the beginning of the current Balancing Period until the Calculation Date. To calculate the determinable flexibility limit within the meaning of sentence 1, 25% of the total quantity of physical inputs in the relevant Biogas Balancing Group from the beginning of the current Balancing Period until the Calculation Date is divided by the number of days elapsed until the Calculation Date and then multiplied by 365 (366 in leap years) or, in the case of a short balancing period, by the number of days in the short balancing period. The physical inputs are calculated by applying section 6(3) sentences 3 and 4 *mutatis mutandis*.
 - (ii) If, at the Calculation Date, a Balancing Period preceding the current Balancing Period has already expired (the last Balancing Period that expired before the Calculation Date is hereinafter referred to as “Expired Balancing Period”), the amount of the security shall be the higher of the two amounts defined as follows:

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- The amount to be determined applying the methodology described in (i).
 - The amount obtained by multiplying any negative total balance of the Biogas Balancing Group from the Expired Balancing Period in kWh by the last SLP reconciliation price² in €/kWh published by the Market Area Manager prior to the Calculation Date. A negative overall balance in the above sense shall be a negative imbalance of the relevant Biogas Balancing Group at the end of the Expired Balancing Period within the meaning of section 6(6) sentence 2 that can be determined at the Calculation Date; this shall apply regardless of whether this balance has already been invoiced and/or may still change due to ongoing or still initiatable clearing procedures or other circumstances. If the overall balance of the Expired Balancing Period was positive, the amount of the negative overall balance is 0 (zero) kWh.
- (iii) Where (ii) the Expired Balancing Period has not yet been settled by the Calculation Date, the Market Area Manager may request that the amount of security being determined in accordance with (ii) be increased by the amount that the Market Area Manager expects to receive from the settlement of the Expired Balancing Period.
- c) The Market Area Manager may request that a higher amount of security be provided if, at the time such request is made, the amount being determined pursuant to (b) is higher than the amount of security already provided or to be provided at that time. However, this shall only apply if the conditions for the request of security in accordance with section 2(3)(a) of the Biogas Balancing Group Contract in conjunction with section 28 of the general Balancing Group Contract continue to apply. The Balancing Group Manager may request that the amount of security be reduced if, at the time such request is made, the amount being determined in accordance with (b) is less than the amount of security already provided or to be provided at the relevant time; if the amount being determined in this respect is less than EUR 10,000, the Balancing Group Manager may request that the security be reduced to EUR 10,000. The provisions set out in section 28(8) sentences 2 to 4 and sentence 6 of the general Balancing Group Contract shall not apply.
5. The provisions set out in section 29 of the general Balancing Group Contract shall apply subject to the following conditions for an advance payment to be made in accordance with section 2(3)(b) of the Biogas Balancing Group Contract in conjunction with sections 28 and 29 of the general Balancing Group Contract.
- Notwithstanding the provisions set out in section 29(3) and (4) of the general Balancing Group Contract, the monthly amount to be paid in advance shall be set at the average

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monthly amount receivable by the Market Area Manager from the Balancing Group Manager in relation to the positions to be settled monthly under the Biogas Balancing Group Contract (including in particular the monthly billing of SLP and RLM Balancing Neutrality Charges and VTP Fees) issued to the Balancing Group Manager during the last 12 months. Where, at the time the advance payment is requested or adjusted in accordance with section 29(2) of the general Balancing Group Contract, Balancing Group invoices have been issued in respect of one or more but fewer than 12 months, the amount of the advance payment shall be calculated based on the average of the aforementioned amount receivable in the months invoiced.

If in any one case, considering the specific circumstances of each such case, it can be reasonably expected that the actual amount receivable by the Market Area Manager from the Balancing Group Manager in respect of the Balancing Group invoices (billing of SLP and RLM Balancing Neutrality Charges and VTP Fees) issued to the Balancing Group Manager will be significantly lower or significantly higher than the calculated average amount receivable, the Market Area Manager shall duly take this into account when determining the amount to be paid in advance. A significant difference within the meaning of this paragraph shall be any difference of 10% or higher.

6. All remaining provisions of the general Balancing Group Contract shall also apply with respect to biogas energy balancing; however, on conclusion of this agreement they shall be read as relating to biogas energy balancing only.
7. In the event of any discrepancy between any provision set out herein and any provision of the general Balancing Group Contract or the supplementary terms and conditions applicable in respect thereof, the specific energy balancing provisions relating to biogas shall prevail.

§ 3 Online Contract Formation

1. This agreement must be entered into separately from and in addition to the general Balancing Group Contract and will be concluded electronically in accordance with the provisions governing contract formation as laid down in section 3 thereof.
2. Where a Balancing Group Manager wishes to form a Biogas Balancing Group Contract, it shall state its wish to do so when entering into the relevant Balancing Group Contract. It will not be possible to incorporate this appendix into any existing general Balancing Group Contract by reference.

§ 4 Rules for the Separate Accounting of Biogas Quantities

1. The supplementary energy balancing provisions for biogas set out herein shall only apply where the gas delivered under this agreement is biogas which has been upgraded to natural gas quality as defined in section 3, No. 10c of the German Energy Industry Act.

2. The Balancing Period in respect of biogas quantities delivered to and offtaken from a Biogas Balancing Group (the “Biogas Balancing Period”) shall be 12 months. Notwithstanding the foregoing, the Market Area Manager and the Balancing Group Manager may agree to apply a Biogas Balancing Period of less than 12 months in respect of the first Biogas Balancing Period (short Biogas Balancing Period).
3. If the entire gas quantity delivered to a Biogas Balancing Group does not meet the requirements set out in paragraph (1) above, the supplementary energy balancing provisions for biogas will no longer apply from the date on which the Market Area Manager becomes aware of the fact that the relevant deliveries did not exclusively comprise biogas until the end of the Biogas Balancing Period concerned. In that case all provisions of the general Balancing Group Contract shall fully apply from that point in time (see section 2(1) above).
4. The Balancing Group Manager shall notify the Market Area Manager without undue delay if it becomes aware that any inputs delivered to its Biogas Balancing Group no longer meet the requirements set out in paragraph (1) above.
5. For energy balancing purposes biogas quantities may only be recorded in a Biogas Balancing Group if and where:
 - all Entry Points assigned to the Balancing Group are Entry Points from biogas plants,
 - the Balancing Group Manager ensures that any and all gas quantities delivered to the Balancing Group from other market areas are sourced from a Biogas Balancing Group,
 - any and all Balancing Groups linked to the Balancing Group for netting purposes are registered as Biogas Balancing Groups,
 - any and all gas quantities procured via the VTP are transferred from another Biogas Balancing Group, and
 - any and all gas quantities delivered to the Balancing Group from a storage facility come from a Biogas Balancing Group which had previously injected gas into that storage facility.
6. The daily offtakes at RLM Exit Points that have been assigned to a Biogas Balancing Group or a Biogas Balancing Subgroup (section 7) will be converted to energy terms based on the applicable Balancing CV. After the end of each month these offtakes will be reviewed to check whether it is necessary to apply any Default Substitute Values or compressibility value adjustments. No RLM Quantity Differences will be determined and invoiced for such Exit Points.

§ 5 Balancing Groups for Biogas

1. Where a Balancing Group Manager wishes to form a separate Balancing Group for biogas quantities (a “Biogas Balancing Group”) it may do so by assigning Entry Points where biogas is physically delivered to a network at a system connection point to a Biogas Balancing Group. At the request of the Market Area Manager, the Balancing Group Manager shall submit suitable evidence confirming that the gas physically delivered at these Points is biogas (e.g. a verification issued under the German Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz), certificate issued by a certified public accountant). For the purpose of forming a Biogas Balancing Group the Balancing Group Manager may also register a Virtual Entry Point or physical Entry Points other than those falling within the scope of sentence 1 of this paragraph (e.g. Market Area Interconnection Points, storage facilities), provided the Balancing Group Manager submits evidence that the gas delivered at such Points is biogas. As a rule, suitable evidence will be deemed to be established where the gas is transferred from a Biogas Balancing Group.
2. Where the Balancing Group Manager wishes to link two or more Subordinate Biogas Balancing Groups, it may do so by establishing a joint Master Balancing Group. All Subordinate Biogas Balancing Groups linked via a Master Balancing Group must have the same Biogas Balancing Period end date; the Biogas Balancing Period start date may differ.
3. The Balancing Group Manager shall retain the right to assign biogas Entry Points to any Balancing Group registered in the Market Area Manager's market area in accordance with section 8 of the general Balancing Group Contract. In that case, however, the Balancing Group Manager shall not be entitled to make use of the flexible energy balancing service for biogas and it will not be possible to bill the relevant biogas quantities separately.

§ 6 Flexible Energy Balancing for Biogas Balancing Groups

1. The Market Area Manager shall provide a flexible energy balancing service in respect of the Biogas Balancing Groups registered by the Balancing Group Manager by granting the Balancing Group Manager a flexibility range equal to 25% of the physical biogas inputs delivered to each Biogas Balancing Group during each Biogas Balancing Period. This flexibility range will be applied to the cumulative difference between the quantities delivered to and offtaken from the relevant Balancing Group during each Biogas Balancing Period.
2. Prior to the start of each Biogas Balancing Period the Balancing Group Manager shall notify the Market Area Manager on a non-binding basis of the quantities it expects to deliver to and offtake from its Balancing Group in the relevant Biogas Balancing Period and of their temporal distribution over that Biogas Balancing Period.

3. The Market Area Manager shall maintain a running balance of the cumulative quantities delivered and offtaken during each Biogas Balancing Period, with inputs and offtakes being netted on a daily basis having regard to positive and negative signs. The running balance thus calculated for each Biogas Balancing Group must never exceed the applicable flexibility limits. The flexibility limits applicable to a Biogas Balancing Group will be calculated based on all physical inputs delivered to the Balancing Group at the biogas Entry Points belonging to that Balancing Group (biogas plants), i.e. based on the quantities delivered at physical biogas Entry Points directly assigned to the Biogas Balancing Group in question. Quantities transferred via the VTP or at Market Area Interconnection Points will be disregarded for this purpose. The Market Area Manager will determine the Total Annual Physical Input Quantity for a Biogas Balancing Group by adding up all inputs physically delivered at the biogas Entry Points belonging to the Biogas Balancing Group. The Absolute Flexibility Quantity (in kWh) available for the Balancing Group in question will be determined as +/-25% of the Total Annual Physical Input Quantity. The Absolute Flexibility Quantity and the Balancing Group invoice amounts will be calculated by the Market Area Manager based on the linking arrangements in place at the end of the Biogas Balancing Period. Ex-post transfers of flexibility, if any, shall be taken into account for this purpose (paragraph (4)). Any daily imbalances exceeding the flexibility available will be settled financially at the end of the Biogas Balancing Period based on the applicable Daily Imbalance Charges (sell/buy price) pursuant to section 14(4) and (5) of the general Balancing Group Contract. For each daily imbalance exceeding the available flexibility that is invoiced, the running balance will be reduced by the quantity invoiced and only that lower balance will be carried forward. In addition, preliminary monthly invoicing may be agreed, for example based on the estimated annual inputs reported for the relevant Biogas Balancing Period pursuant to paragraph (2) above.
4. After the end of each Biogas Balancing Period the Balancing Group Manager shall have the right to transfer on an ex-post basis in part or in full the Absolute Flexibility Quantity available for its Biogas Balancing Group as calculated based on the Total Annual Physical Input Quantity, or any other flexibility quantity transferred to its Biogas Balancing Group from other Biogas Balancing Groups, to other Biogas Balancing Groups registered within the same or in a different market area, provided the Biogas Balancing Periods of the Biogas Balancing Groups involved in each transfer end on the same date. Where Subordinate Biogas Balancing Groups have been set up, flexibility transfers will be effected via the joint Master Balancing Group (section 5(2)).

Once a Biogas Balancing Period has ended and the final quantities have been calculated for all Biogas Balancing Groups, the Market Area Manager shall notify the Balancing Group Manager of the Absolute Flexibility Quantities available for each relevant Biogas Balancing Group.

On this basis both the disposing Balancing Group Manager wishing to transfer flexibility to another Biogas Balancing Group and the acquiring Balancing Group Manager

wishing to receive that flexibility shall within 20 Business Days of receiving the billing data for the relevant Biogas Balancing Groups notify the Market Area Manager of the fact that they wish to effect a transfer of flexibility between their Balancing Groups and state the flexibility quantity to be transferred for each Biogas Balancing Group. Any such transfer of flexibility between Biogas Balancing Groups and/or Master Balancing Groups for biogas (see sentence 2 of paragraph (4)(1)) shall be subject to the following rules:

- For the purpose of effecting flexibility transfers the Market Area Manager shall set up a separate account (“Flexibility Account”) for each Biogas Balancing Group on behalf of the Balancing Group Manager. Each Flexibility Account’s initial opening balance shall be equal to the Absolute Flexibility Quantity previously calculated by the Market Area Manager on the basis of the Total Annual Physical Input Quantity. The Market Area Manager shall update the account balance on a daily basis to take account of all flexibility transfers effected, thereby determining the flexibility quantity available to be transferred on the following day (the “Current Opening Balance”).
- On each day during a 20-Business-Day window the Balancing Group Manager may effect flexibility transfers up to the Current Opening Balance calculated for the day in question. The maximum flexibility quantity transferable to other Balancing Groups in each case corresponds to the Current Opening Balance calculated for the Flexibility Account set up for the disposing Biogas Balancing Group; flexibility transfers involving a quantity that is greater than the Current Opening Balance are not permitted. The next day’s Current Opening Balance of the Flexibility Accounts set up for the Biogas Balancing Groups involved in each transfer will be calculated based on the net balance of the flexibility quantities transferred to and received from other Balancing Groups.
- By 21:00 hours on each day of the 20-Business-Day period during which flexibility transfers may be effected, the Market Area Manager shall notify the Balancing Group Manager of its Current Opening Balance as calculated for the Balancing Group Manager for the following day. On this basis the Balancing Group Manager shall by 17:00 hours on each day submit the relevant messages to the Market Area Manager specifying the flexibility quantities to be transferred for each disposing and acquiring Biogas Balancing Group. After 17:00 hours on each day the Market Area Manager shall review these messages and submit an acknowledgement of receipt and transfer confirmation to the Balancing Group Manager by 20:00 hours. At the end of the 20-Business-Day period the Market Area Manager shall notify the Balancing Group Manager of the closing balance determined for the Balancing Group Manager's Flexibility Account.

For each transfer notified, the Market Area Manager shall verify whether the above requirements for flexibility transfers are complied with. In the event that a transfer does not meet the requirements, the Market Area Manager shall have the right to reject that transfer, after notifying the Balancing Group Manager(s) thereof. This shall particularly

apply, without limitation, where the sum of all nominated flexibility transfers to other Biogas Balancing Groups is greater than the Current Opening Balance of the disposing party's Flexibility Account. Where a transfer is rejected this does not, however, result in a complete termination of the transfer process. Where the 20-Business-Day period has not yet expired, the Balancing Group Manager may repeat the rejected transfer on the following day, provided the above requirements are complied with.

Each day the Market Area Manager shall also check for any mismatches between the notified transfer quantities specified in the notifications it has received from the relevant Balancing Group Manager(s). Where the quantities notified for transfer do not match, the Market Area Manager shall have the right to revise these quantities, after notifying the relevant Balancing Group Manager(s) thereof, by applying the lower of the two quantities (matching process); where the notifications submitted by the disposing and the acquiring Balancing Group Managers do not match in any other respects, the Market Area Manager will set the disposing party's nominations to zero, whereupon the flexibility to be transferred will have to be recalculated. For transfers effected via the VTP each Market Area Manager conducts the review independently; for transfers effected between different market areas the process must be carried out in coordination with the adjacent Market Area Manager(s).

5. In respect of the flexible energy balancing service the Balancing Group Manager shall pay a fee as set out in section 35(8) of the Access Regulations, which will be charged on the portion of flexibility the Balancing Group Manager has actually used. The portion of flexibility that has been used during each Biogas Balancing Period will be calculated as the highest absolute daily imbalance between cumulative inputs and offtakes falling within the applicable flexibility limit of +/-25% as defined in paragraph (3) above. Flexibility transfers effected pursuant to paragraph (4) above shall be taken into account in this process. The relevant charges shall be invoiced at the end of each Biogas Balancing Period.
6. The Balancing Group Manager shall ensure that its cumulative inputs and cumulative offtakes are in balance by the end of each Biogas Balancing Period. Where upon expiry of a Biogas Balancing Period the Balancing Group Manager has incurred an imbalance between its inputs and offtakes, the Market Area Manager shall clear that imbalance, after deducting a Positive Closing Energy Balance carried over pursuant to paragraph (7) below, if any. Where and to the extent that, after deducting a Positive Closing Energy Balance carried over pursuant to paragraph (7) below, if any, the inputs are greater than the offtakes (hereinafter referred to as a "Positive Cumulative Biogas Imbalance"), the Market Area Manager shall pay a charge to the Balancing Group Manager which shall be equal to the average of all Daily Imbalance Charges applicable during the relevant Biogas Balancing Period. Where and to the extent that the offtakes are greater than the inputs (hereinafter referred to as a "Negative Cumulative Biogas Imbalance"), the Balancing Group Manager shall pay a charge to the Market Area

Manager which shall be equal to the average of all Daily Imbalance Charges applicable during the relevant Biogas Balancing Period.

7. Under the energy balancing rules for biogas, the Balancing Group Manager may carry over a positive energy balance remaining at the end of a Biogas Balancing Period (a “Positive Closing Energy Balance”) to the next Biogas Balancing Period up to the quantity of the applicable flexibility limit. Positive Closing Energy Balances will be transferred automatically unless the Balancing Group Manager objects to this by M+2M+16 Business Days after the end of the relevant Biogas Balancing Period. Where a Positive Closing Energy Balance has been carried over, it will not be taken into account in determining the used portion of the flexibility range pursuant to paragraph (3) above in the next Biogas Balancing Period; instead it will be offset against the closing energy balance determined at the end of the next Biogas Balancing Period.
8. The Market Area Manager shall have no obligation to use biogas in clearing any imbalance quantities pursuant to paragraphs (3) and (6).

§ 7 Balancing Subgroups for Biogas

The Balancing Group Manager shall have the right to set up Balancing Subgroups for biogas (“Biogas Balancing Subgroup”) for any existing Biogas Balancing Group.

§ 8 Gas Quality Conversion for Biogas Quantities

1. Notwithstanding the provisions set out in section 20(2) of the general Balancing Group Contract, the following rules shall apply with respect to Biogas Balancing Groups: The Conversion Quantities attributable to a Balancing Group Manager shall be determined by calculating separate high CV and low CV gas balances for the Balancing Group Manager based on the inputs and offtakes recorded for energy balancing purposes for the relevant individual Balancing Groups during the relevant Biogas Balancing Period. The relevant Entry and Exit Points must be assigned to separate Balancing Groups according to gas quality. For the purpose of calculating the relevant balances a Master Balancing Group linking the individual Balancing Groups shall be set up and assigned a gas quality. The balances of all Balancing Groups linked to the Master Balancing Group, including the balance determined for the Master Balancing Group itself, shall then be added up separately for each gas quality. In respect of the Master Balancing Group only the inputs and offtakes as recorded for energy balancing purposes will be taken into account in this process. Where the above calculations show that the Balancing Group Manager has an oversupply of high CV gas and an undersupply of low CV gas, the Market Area Manager shall charge the Balancing Group Manager a Conversion Fee in EUR per MWh, which shall be applied to the lower of the two quantities as measured in terms of their absolute values. The Conversion Fee shall be invoiced based on the final quantities as recorded for energy balancing purposes and underlying the corresponding Balancing Group invoice.

2. In addition to the provisions set out in section 21(1) to (3) of the general Balancing Group Contract, the following shall apply with respect to Biogas Balancing Groups:

For conversion billing purposes the applicable Conversion Fee shall be calculated as the time-weighted mean of the Conversion Fees applicable during the relevant Biogas Balancing Period.