

Press Release

Ratingen, 15 February 2012

NetConnect Germany maintains control energy levy on a stable level and reduces conversion fee for the period starting 1 April 2012

**NetConnect Germany
GmbH & Co. KG**
Kaiserswerther Str. 115
40880 Ratingen

Your contact:
Alexander Land
T +49 (0)201 3642 12620
F +49 (0)201 3642 812620
presse@net-connect-germany.de

NetConnect Germany (NCG) maintains the control energy levy valid in its market area at the current level of 0.08 ct/kWh for the period starting 1 April 2012.

As of the same date the conversion fee that has been levied since 1 April 2011 in accordance with a preliminary ruling by the German regulator Bundesnetzagentur will be reduced from currently 1.50 EUR/MWh to 0.90 EUR/MWh (regardless of the direction of conversion).

In the past few months there have been positive developments with respect to the control energy market, which have been supported in particular by the fact that NCG has been able to realise prices close to market levels, among other factors thanks to the exchange-based procurement of control energy. However, the demand for control energy in the NCG market area in the current gas year has again been increasing strongly since the beginning of winter. The last few days in particular have seen extremely high levels of control energy purchases and historic record highs reaching volumes of up to 20m EUR on some days. Overall, however, NCG has been able to maintain the control energy levy on a stable level, with the fee remaining unaltered at 0.08 ct/kWh.

Regarding the determination of the conversion fee the preliminary ruling of 24 February 2011 by the Bundesnetzagentur will remain in effect until a decision in the principal proceedings will be taken. NCG was already able to reduce the conversion fee from 2.00 EUR/MWh to 1.50 EUR/MWh in 2011, the first year of the cross-quality market area. So far NCG has not registered a significant increase in commercial conversion volumes in the market area. Based on forecasts for the future development of the conversion market as well as of the resulting revenues and costs NCG has been able to again reduce the conversion fee significantly.

Reg. office Düsseldorf
Amtsgericht Düsseldorf
HRA 20201

Managing Directors:
Torsten Frank
Jörg Honsel
Klaus Parringer

General Partner:
NetConnect Germany
Management GmbH

Reg. office Düsseldorf
Amtsgericht Düsseldorf
HRB 59556

Overall, this will reduce the costs incurred by market participants for the supply of end users in the NCG market area and promote cross-quality trading in the NCG market area. NCG's management comments: "These are clear signals that the positive development in the market area will continue in the future."

NetConnect Germany

NCG offers a range of products and customer-friendly services for network operators and shippers across different market areas throughout Germany and handles the operational management of the market area cooperation between bayernets GmbH, Fluxys TENP TSO S.p.A., GRTgaz Deutschland GmbH, GVS Netz GmbH, Open Grid Europe GmbH and Thyssengas GmbH. Its market area, which stretches from the North Sea coast down to the Alps, is the largest German market area, connecting around two thirds of all end users in Germany.

**NetConnect Germany
GmbH & Co. KG**
Kaiserswerther Str. 115
40880 Ratingen

Your contact:
Alexander Land
T +49 (0)201 3642 12620
F +49 (0)201 3642 812620
presse@net-connect-germany.de

Reg. office Düsseldorf
Amtsgericht Düsseldorf
HRA 20201

Managing Directors:
Torsten Frank
Jörg Honsel
Klaus Parringer

General Partner:
NetConnect Germany
Management GmbH

Reg. office Düsseldorf
Amtsgericht Düsseldorf
HRB 59556