

# Appendix – Balancing Group Conditions: Supplementary Terms and Conditions of Trading Hub Europe GmbH (THE) for Balancing Group Managers

## 1 – Scope

1. These Balancing Group Conditions set out THE's rules for access to one or several of its (sub)networks including the auxiliary services offered for this purpose.
2. THE hereby objects to and rejects the balancing group manager's general terms and conditions. The provision of any other services including auxiliary services shall require a separate written agreement between the balancing group manager and THE.
3. Unless otherwise agreed, the provisions of these Balancing Group Conditions for the injection of natural gas into the network shall also apply to the injection of biogas.

## 2 – Terms and definitions

The definitions of the German Energy Industry Act (EnWG), the Gas Third-Party Access Regulations (GasNZV) and Part 1, Article 4, Definitions of the "Agreement on Cooperation between Operators of Gas Supply Networks located in Germany Pursuant to section 20 Paragraph 1 b) EnWG", each as amended, shall apply.

## 3 – Fees and terms of payment

1. THE shall be entitled to levy from the balancing group manager the fees, charges and penalties specified in sections 25 (12) and 31 (1) sentence 2 of the Balancing Group Contract Terms & Conditions.
2. THE shall be entitled to request reasonable payments on account of the balancing neutrality charges expected for the balancing group manager and/or of the conversion neutrality charge for balancing groups. THE will generally issue the invoice for payments on account by M+ 15 BDs.

3. The price sheet for balancing group managers published by THE on its website as amended at the time the service is provided shall determine the structure and the amount of the fees.
4. The specific fees and penalties shall be calculated without rounding up or down. The specific fees will subsequently be commercially rounded to four decimal places after the calculation.
5. THE shall be entitled to pass on to the relevant balancing group manager any reasonable costs it has incurred for reasons of foreign (EU) law arising out of and in connection with the examination of documents of the balancing group manager and/or approvals/registrations of THE in a foreign country.
6. If entry and exit network operator data are required for settlement purposes and if such data is not available, incomplete or available only in a form that cannot be analysed at the end of the second gas month after the month of settlement, THE shall be entitled, at its own discretion, to either
  - issue a temporary invoice for the balancing group to the balancing group manager and to subsequently correct such temporary invoice as necessary once the necessary data is available, or
  - postpone invoicing for the balancing group until all necessary data is available in a form that allows analysis.
7. THE uses electronic invoicing in accordance with section 14 (1) sentence 8 of the German Value Added Tax Act (UStG). The balancing group manager agrees to this procedure in accordance with section 14 (1) sentence 7 UStG.
8. THE shall pay the invoiced fees and penalties without any deductions by bank transfer with a fixed value date to the account specified in the invoice by the 10th business day following receipt of the invoice.
9. Payments shall only be deemed to have been made in time if the amounts concerned have been credited to THE's account by the specified deadlines.

If a payment is not made by the specified deadline, the party affected shall be entitled to claim interest without prejudice to further claims. Interest shall be calculated in accordance with section 288 (2) in conjunction with section 247 of the German Civil Code (BGB).

The balancing group manager may only set off undisputed or legally established claims against THE's claims under the contract. The foregoing shall not apply to counterclaims arising under the same contractual relationship.

10. Settlement shall mean both ordinary invoices and invoices issued under self-billing arrangements.
11. Regarding section 14 (3) lit. a) and lit. b) of the Balancing Group Contract Terms & Conditions, the following clarification is hereby provided:
  - a) In the case of section 14 (3) lit. a), there may also be situations where the balancing group manager has to pay a fee to the market area manager if and to the extent that the inputs recorded for energy balancing purposes exceed the offtakes recorded for energy balancing purposes on the relevant gas day and to the extent that such a direction of payment results from the positive daily imbalance price determined in accordance with section 14 (4) et seq. of the Balancing Group Contract Terms & Conditions.
  - b) In the case of section 14 (3) lit. b), there may also be situations where the market area manager has to pay a fee to the balancing group manager if and to the extent that the offtakes recorded for energy balancing purposes exceed the inputs recorded for energy balancing purposes on the relevant gas day and to the extent that such a direction of payment results from the negative daily imbalance price determined in accordance with section 14 (4) et seq. of the Balancing Group Contract Terms & Conditions.

#### **4 – Linking of balancing groups**

1. Balancing groups with the status "bzk" (capacities subject to transportation route restrictions, "restrictedly allocable capacity" – CAR) cannot be linked. Only balancing groups with the status "fzk" (freely allocable capacities – FAC) may be linked.

If the balancing group manager has balancing groups of different gas qualities and does not link them in accordance with section 17 of the Balancing Group Contract Terms & Conditions, THE shall be entitled to compulsorily link them.
2. The following shall apply only to the conclusion of a contract linking balancing groups in the Gaspool Balancing Services ("GASPOOL") market area: The balancing group manager of the master balancing group and the balancing group manager of the subordinate balancing group shall complete, sign and send the contract form entitled

"Agreement on the Linking of Balancing Groups" pursuant to section 17 (4) of the Balancing Group Contract Terms & Conditions published at [www.gaspool.de](http://www.gaspool.de) for the balancing group contract to GASPOOL in triplicate.

The agreement shall come into effect upon receipt by the two balancing group managers of the contract form signed by GASPOOL.

#### **5 – Transfer of gas quantities between balancing groups according to section 9 of the Balancing Group Conditions in the GASPOOL market area**

In addition to section 9 of the Balancing Group Contract Terms & Conditions, the balancing group manager shall also be entitled to transfer gas quantities between balancing sub-groups. The foregoing shall apply exclusively to the GASPOOL market area.

#### **6 – Separate balancing of restrictedly allocable capacities**

Restrictedly allocable capacities may only be balanced in a separate balancing group for "bzk". It is not permissible to transfer gas quantities between such a separate balancing group and another balancing group via the virtual trading point. In balancing groups with the CAR status, inputs may only be effected via capacities subject to transportation route restrictions in accordance with section 22 (3) of the Balancing Group Contract Terms & Conditions.

#### **7 – Communication**

1. THE shall perform a communication test to check whether its communication requirements are met and whether the balancing group manager is able to receive and process messages and notifications from, and send corresponding messages and notifications to, THE.
2. THE shall inform the balancing group manager about the successful completion of the communication test. The balancing group manager undertakes to indemnify and hold harmless THE from and against claims for damages resulting from any faulty or failed communication of information about the balancing group for which the balancing group manager is responsible.

3. THE shall be entitled to repeat the communication test during the term of the contract if doubts arise as to whether the balancing group manager is still able to fulfil the communication requirements.
4. THE refuses to accept the use of certain internet domains (including gmx, gmail, web, t-online, yahoo, etc.) as communication addresses for security reasons.
5. If the balancing group manager has commissioned and authorised a service provider to handle communication with THE, all acts/omissions on the part of the service provider shall be attributed to the respective balancing group manager. A change of the communication connection as a result of a change of service provider shall only be made following prior agreement between the balancing group manager and THE within THE's customer consultation hours<sup>1</sup> and can only take effect at a time falling within THE's customer consultation hours. Until the communication connection is changed, communication shall continue to take place between THE and the previous service provider. The balancing group manager shall bear all costs and expenses for any and all damage resulting from faulty or failed communication of information about the balancing group or messages of both the existing and the new service provider of the balancing group manager for which THE is not responsible.

#### **8 – Rules for the NetConnect Germany ("NCG") market area on balancing groups with the status "dynamically allocable"**

1. The balancing group manager may conclude contracts with THE for balancing groups with the "dynamically allocable" status. This balancing group type does not include access to the virtual trading point (VTP). Dynamically allocable capacities (DAC) are firm capacity products that include a right for the network operator to restrict the available transportation routes in certain circumstances.
2. When entering into contracts for DAC balancing groups, the balancing group manager shall specify whether only an RLM exit point (RLMmT or RLMoT) is registered for this balancing group on the exit side ("RLM" type) or whether entry and/or exit points requiring nomination (cross-border interconnection point, market area interconnection point or an entry/exit point at a storage facility) are registered for the DAC balancing group ("requiring nomination" type).

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<sup>1</sup> THE office hours for customers: Mondays to Thursdays from 9 a.m. to 4 p.m. and Fridays from 9 a.m. to 3 p.m.

3. DAC balancing groups shall be linked to at least one balancing group with the status “freely allocable” (FAC). In the case of such a link pursuant to section 17 of the Balancing Group Contract Terms & Conditions, gas entry and/or exit points in the DAC balancing group may be balanced with gas entry and/or exit points in the FAC balancing group as long as the balancing group link is active.
4. If THE receives a message that is electronically processable from the gas transmission system operator instructing THE to temporarily suspend the linking arrangement, THE shall without undue delay forward the message to the balancing group managers concerned. It should be noted that all capacity products registered are subject to the transportation route requirements published by the relevant transmission system operators. The relevant advance notice periods to be observed by the transmission system operator are set out in the supplementary terms and conditions of the transmission system operators. This then terminates the link between the relevant balancing groups until the end of the relevant gas day (on a rest-of-the-day basis).

In such cases, the two balancing groups will be billed separately from the effective point in time of the suspension of the balancing group linking arrangement for this gas day.

The foregoing will mean in particular that imbalances within the meaning of section 14 (3) lit a) and b) of the Balancing Group Contract Terms & Conditions in the DAC balancing group lead to imbalance charges from the time the linking arrangement is effectively suspended.

5. In a DAC balancing group of the "RLM" type, entry capacity may only be introduced at the entry points ("balancing points") defined by the transmission system operator, which have to be used for balancing in the event of a temporary termination of the balancing group link.
6. In a DAC balancing group of the "requiring nomination" type, only entry and exit capacities at the entry and exit points requiring nomination defined by the TSO (cross-border interconnection point, market area interconnection point or an entry/exit point at a storage facility) may be registered, which have to be used for balancing in the event of a temporary termination of the balancing group link.
7. The balancing group link will be restored automatically at the beginning of the next gas day following the temporary suspension, unless the notification about a

suspension of the balancing group link also included this gas day, taking into account the lead time. The market area manager shall immediately inform the relevant balancing group managers accordingly by forwarding the transmission system operator's message.

8. The booking and use of dynamically allocable capacities shall be governed in particular by the supplementary terms and conditions of the respective transmission system operators.
9. The provisions of section 7 shall apply exclusively to the NCG market area.

### **9 – Termination via the online portal**

The balancing group manager may terminate the balancing group contract via the online portal in addition to the forms of termination provided for in section 37 (2) of the Balancing Group Contract Terms & Conditions.

### **10 – Changes to the Balancing Group Conditions and the fees**

Changes to the Balancing Group Conditions and the fees are governed by section 30 and section 31 of the Balancing Group Contract Terms & Conditions.