

**Trading Region Upgrade ('TRU') Service – Pilot project 2018/2019  
Offer conditions & bid form for the TRU monthly auction for August 2019**

NET4GAS, s.r.o. and GAS CONNECT AUSTRIA GmbH ('project promoters') are offering the new innovative service TRU in the course of a 1 year pilot project.

TRU is a specially designed service connecting the Austrian and Czech gas markets. The TRU service in the direction from Austria to Czech Republic is offered and provided by GAS CONNECT AUSTRIA GmbH ('GCA') while NET4GAS, s.r.o. ('N4G') is offering the TRU service from Czech Republic to Austria. The offer conditions & bid form for the TRU monthly auction set out in this document refer only to the TRU service in the direction from Austria to Czech Republic.

All terms and conditions according to the Frame Capacity Contract including the General Terms and Conditions and all other Annexes thereto as published on the website [www.gasconnect.at](http://www.gasconnect.at) and amended from time to time shall apply for the TRU service. The offer conditions for the TRU monthly service from Austria to Czech Republic shall apply as stated hereinafter, whereas in the event of conflicts contrary to Article 7 paragraph 7.2 of the Frame Capacity Contract the offer conditions for the TRU monthly service shall have precedence ranking before the Frame Capacity Contract and thereafter the General Terms and Conditions.

**Article 1: TRU monthly service - scope of offer**

Allocation procedure: TRU – Pilot project 2018/2019 // TRU monthly auction

Service: Trading Region Upgrade (TRU) – as described in the TRU – Information Sheet and as published on the website [www.gasconnect.at](http://www.gasconnect.at)

Direction: From Austria to Czech Republic

Maximum quantity per runtime: 112,000 kWh/h

Service runtime & reserve price:

Service	Runtime	Reserve price <i>in EUR/kWh/h/runtime</i>
Month August 2019	01.08.2019 / 06:00 CE(S)T – 01.09.2019 / 06:00 CE(S)T	0.71

The reserve price for the TRU monthly service is calculated based on the approved TRU yearly tariff from Austria to the Czech Republic in the amount of 7.27 EUR/kWh/h according to the Austrian Gas System Charges Ordinance (“Gas-Systemnutzungsentgelte-Verordnung”) including time factors as amended from time to time.

## **Article 2: Bidding procedure**

The bidding period for the TRU - monthly service will be opened from 8 July 2019 09:00 CE(S)T until 15 July 2019 12:00 CE(S)T (“bidding window”). Interested parties are invited to submit their bids via completing and submitting this document, in particular Article 5 (“Your bids”), duly signed to GCA. In case bids do not comply with the formal requirements as specified below under Article 3 (“Conditions for valid bids”), they shall be refused.

## **Article 3: Conditions for valid bids**

Please note that the submitted bids are only valid if following conditions are fulfilled and accepted:

- § The Bidder accepted and signed GCA’s Frame Capacity contract and is an activated system user.
- § By completing, signing and submitting the bid form the Bidder accepts the TRU offer conditions laid down in this document, which is published on the website [www.gasconnect.at](http://www.gasconnect.at).
- § The bid form shall be received by GCA only in the bidding window by registered post or courier (original) duly signed by authorized person(s) within your organization until 15 July 2019 12:00 CE(S)T. Bids received outside of the bidding window are considered as invalid and will therefore be rejected.
- § Bids containing TRU quantities higher than the offered total service quantity of 112,000 kWh/h per runtime shall be rejected.
- § Bid forms not containing all company and contact details shall be rejected.

#### **Article 4: Allocation procedure**

After the bidding window has closed and all valid bids are collected, the **Uniform price auction algorithm** will be used as allocation procedure (i.e. prevailing procedure as for Day-Ahead auctions on the auction platforms).

The main characteristics are:

- There is only one bidding round, i.e. bidding window.
- Bidder can submit up to 10 bids per auction.
- All bids per auction are ranked in a descending order according to their bid price, i.e. reserve price + surcharge.
- The lowest bid price of all awarded bids within one auction is considered as the clearing price, i.e. same price for all successful bidders.
- „Fill-or-kill“ option subject to minimum amount condition. If allocated TRU is less than the requested minimum amount of TRU the bid shall be considered unsuccessful.
- Pro-rata allocation is used in case of equally-ranked bids within one auction.
- Reserve price is the regulated tariff including time factors if applicable.

The bids shall be confirmed by GCA by latest three business days after close of bidding window.

#### **Article 5: Your bids**

Please express your **binding bids** for the **TRU monthly service for August 2019 from Austria to Czech Republic** in the following table(s):

Bidding Table for TRU monthly service August 2019			
Runtime: 01.08.2019 / 06:00 CE(S)T – 01.09.2019 / 06:00 CE(S)T			
Bid number	Surcharge <i>in EUR/kWh/h/runtime*</i>	Amount of TRU <i>in kWh/h/runtime**</i>	Minimum amount of TRU <i>in kWh/h/runtime</i>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

\* Surcharge to be inserted with max. 2 decimals \*\* Maximum amount of TRU per bid: 112,000 kWh/h/runtime

## Article 6: Monthly fee

Article 4.3 of the Frame Capacity Contract shall apply mutatis mutandis to the calculation of the monthly fee for the TRU service as stated hereinafter:

$$E = \frac{(Rp + Sc) * Q}{M}$$

where:

- $E_m$  = the monthly fee to be paid by the System User in Euro (EUR)
- $Rp$  = reserve price of the auction for the booked TRU quantity pursuant to Gas System Charges Ordinance as last amended, converted to ct / kWh / h / runtime, rounded to 2 decimals
- $Sc$  = surcharge in addition to the reserve price for the booked TRU in ct / kWh / h / runtime, rounded to 2 decimals
- $Q$  = booked TRU quantity as hourly flow rate over the entire runtime in kWh / h
- $M$  = number of months for which the TRU service was booked.

In case a change of the Gas System Charges Ordinance (“Gas-Systemnutzungsentgelte-Verordnung”) becomes effective during a gas year the monthly fee “ $E_m$ ” for the then remaining months of such gas year shall be calculated on the basis of the then effective Gas System Charges Ordinance.

In reference to sec. 3 para. 1 Austrian Gas System Charges Ordinance the System User shall pay such charges even if the booked TRU is not nominated or only partially nominated.

By completing and submitting this bid form to GCA you are bindingly participating in the allocation procedure “TRU pilot project 2018/2019 – TRU monthly auction”. GCA’s notification of successful TRU allocation shall result in a bindingly concluded contract between Bidder and GCA subject to the terms and conditions as stated above.

**Bid form submitted by (Bidder):**

Company details:

Company name \_\_\_\_\_

Company address \_\_\_\_\_

Frame Capacity Contract Reference      AUC\_FRAME\_ \_\_\_\_\_

Contact details of authorized person:

First Name \_\_\_\_\_

Last Name \_\_\_\_\_

Position \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Mobile \_\_\_\_\_

E-Mail \_\_\_\_\_

Successful Bidders will be notified about TRU allocation via an e-mail confirmation. For submission of the bid form please use the contact details as stated at the end of the bid form.

\_\_\_\_\_  
**Date, Signature by authorized company representative(s)**

**Contact details for submission of the bid form:**

**Gas Connect Austria GmbH**

Address:

Floridsdorfer Hauptstraße 1  
1210 Vienna  
Austria

Attention:

Mr. Aleksandar Savic  
Department: Sales Transmission & Distribution

Fax number: +43 1 27500 88291