

# EFET

## European Federation of Energy Traders

### INDIVIDUAL CONTRACT (VIRTUAL GAS STORAGE OPTION – NCG TRANSACTION)

**BETWEEN:**

(1) Uniper Global Commodities SE (“**Storage Seller**”)

and

(2) \_\_\_\_\_ (“**Storage Buyer**”)

This Individual Contract has been entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas in place between the Parties, dated xxx, (“**General Agreement**”) and supplements and forms part of that General Agreement.

Concluded: on the date when a successful bid is placed in the auction held by ICE Endex on behalf of Uniper Global Commodities SE on March 23, 2017.

**1. Virtual Gas Storage:**

In consideration of the payment to the Storage Seller of the Storage Service Fee, Storage Buyer has, subject to the Nomination Conditions, the right to

- (a) deliver Natural Gas to Storage Seller at the Delivery Point (each such delivery by Storage Buyer being an “**Injection**”, and “**Injected**” shall be construed accordingly), and
- (b) require the delivery of Natural Gas at the Delivery Point from Storage Seller to Storage Buyer (each such delivery by Storage Seller being a “**Withdrawal**”, and “**Withdrawn**” shall be construed accordingly).

**2. Delivery Point:**

NCG\_H\_VHP

INTRA SYSTEM

**Relevant System:**

NetConnect Germany KG & Co.

**3. Total Supply Period:**

From 06:00 hours on 01.04.2017  
to 06:00 hours on 01.04.2018

**4. Nomination Conditions:**

**4.1 Nomination:**

The Storage Buyer shall provide the Storage Seller with a nomination for the hourly quantities to be Injected or Withdrawn for the relevant

Day (“**Nomination**” and “**Nominated**” shall be construed accordingly) at the latest at the Nomination Deadline.

**4.2 Nomination Deadline:** at 16:00h on the Day immediately preceding the respective Day of delivery within the Total Supply Period.

**4.3 Nomination Limits:** Storage Buyer’s rights of Injection and Withdrawal are subject to the following limitations:

(a) Quantities specified in a Nomination for Injection for any hour of the Total Supply Period shall not exceed the Maximum Hourly Injection Quantity;

(b) Quantities specified in a Nomination for Withdrawal for any hour of the Total Supply Period shall not exceed the Maximum Hourly Withdrawal Quantity;

(c) The Working Gas Quantity shall not exceed the Maximum Working Gas Quantity and shall be not less than 0 (zero);

(d) Storage Buyer shall not be entitled to issue more than one Nomination in respect of any Day of the Total Supply Period;

**4.4 Communication of Nomination:**

Nominations by the Storage Buyer and rejections by the Storage Seller pursuant to clause 4.5.2 shall be given by EDIG@S (EDIG@S format transferred via FTP over ISD or AS2 or SMTP).

*Add only if CP is not yet set up:*

All relevant data required for EDIG@S communication (including but not limited to the respective shipper codes, but excluding Nomination) shall be exchanged between the Parties by using the following email addresses:

Storage Seller’s email address: **please add.**

Storage Buyer’s email address: **please add.**

**Unavailability of communication systems:**

If EDIG@S communication system is inoperative or unavailable, the Storage Buyer shall serve a Nomination by fax at +49 211 73275 **XXXX.**

**4.5 Failure to Nominate or non-compliance with Nomination Conditions:**

4.5.1 If the Storage Buyer does not provide the Storage Seller with a Nomination by the Nomination Deadline, the Nomination for the relevant Day shall be considered to be equal to 0 (zero) during each hour of that Day.

4.5.2 If the Storage Buyer’s Nomination does not comply with the rules set out in clause 4.3 (Nomination Limits), the following shall apply:

(i) in case of sub-clauses (a) and (b), the quantities Nominated

will be re-set to the applicable limit(s) without any further notice by the Storage Seller to the Storage Buyer and the Storage Buyer will be deemed to have Nominated in accordance with those limits specified in clause 4.3;

(ii) in case of a breach of sub-clause (c):

1. the Storage Seller shall have the right to reject the Nomination for the relevant Day without any further notice by the Storage Seller and, in such case, the Nomination for the relevant Day will be deemed equal to zero (0), and
2. in the event where the Storage Seller does not reject the Nomination for the relevant Day as per clause 4.5.2 (ii) 1. above, a new Individual Contract for the sale and/or purchase of Natural Gas shall be entered into between the Parties and the following shall apply in this Individual Contract:
  - in the event where the Storage Buyer specifies quantities for Injection in a Nomination which would result in the Working Gas Balance exceeding the Maximum Working Gas Quantity, then the Storage Buyer shall sell and the Storage Seller shall purchase such excess quantities at a price equivalent to 80% of the Reference Price for the relevant Day; and
  - in the event where the Storage Buyer specifies quantities for Withdrawal in a Nomination which would result in a Working Gas Balance being less than 0, then the Storage Seller shall sell and the Storage Buyer shall purchase such excess quantities at a price equivalent to 120% of the Reference Price for the relevant Day;

and for the purposes of the Reference Price, the relevant Day shall be the Day on which the Nomination is in breach of sub-clause 4.3 (c).

#### **4.6 Re-nomination**

4.6.1 Subject to the Nomination Limits, Storage Buyer shall be entitled to amend the Nominated (or deemed Nominated) hourly quantity to be Injected or Withdrawn, by sending Storage Seller an amended Nomination at least three (3) hours prior to the full hour on which such change shall take effect (each such amended Nomination a “**Re-nomination**”). A Re-nomination shall set out the quantities for Injection and / or Withdrawal for *all* remaining hours of the relevant Day and not only the hours in respect of which the Re-nomination has been sent. The maximum hourly quantities for re-nomination regarding injection and withdrawal are limited by the respective greatest hourly quantity Nominated on the day prior to the Day of delivery.

4.6.2 Clauses 4.3 (a) - (c), 4.4 and 4.5.2 shall apply *mutatis mutandis* to Re-nominations.

#### **5. Fees**

**5.1 Storage Service Fee:** For the virtual storage services pursuant to this Individual Contract the Storage Buyer shall pay to the Storage Seller a fee (“Storage Service Fee”) irrespective of the actual usage of the virtual storage services by the Storage Buyer or the (Early) Termination of the General Agreement. The Storage Service Fee will be invoiced and shall be payable in 12 equal monthly instalments (“Monthly Storage Service Fee”).

**Storage Service Fee:** xxx EUR

**Monthly Storage Service Fee:** xxx EUR/month

**5.2 Variable Fees:** For each MWh of Natural Gas Nominated for Injection, the Storage Buyer shall pay the Storage Seller a fee (“Injection Fee”). For determination of the Injection fee the following formula applies:

$$VF_{\text{injection}(d)} = H_{\text{max hourly quantity IJ}(d)} \times 24 \times SE_{\text{injection}}$$

where

$H_{\text{max hourly quantity IJ}(d)}$  : the greatest hourly value of the quantity nomination for injection on the day (d) concerned.

$SE_{\text{injection}}$  : specific fee for injection, 0.22 €/MWh

For each MWh of Natural Gas Nominated for Withdrawal, the Storage Buyer shall pay the Storage Seller a fee (“Withdrawal Fee”). For determination of the Withdrawal fee the following formula applies:

$$VF_{\text{withdrawal}(d)} = H_{\text{max hourly quantity WD}(d)} \times 24 \times SE_{\text{withdrawal}}$$

where

$H_{\text{max hourly quantity withdrawal}(d)}$  : the greatest hourly value of the of the quantity nomination for withdrawal on the day (d) concerned.

$SE_{\text{withdrawal}}$  : specific fee for withdrawal, 0.21 €/MWh

The basis for determining  $H_{\text{max hourly quantity IJ}}$  and  $H_{\text{max hourly quantity wd}(d)}$  are the greatest hourly quantities for the injection and withdrawal quantities Nominated by Storage Buyer according to Article 4 on the day prior to the day concerned.

The total variable fee component payable for a month is obtained by adding the daily fees ( $VF_{\text{injection}(d)}$  and  $VF_{\text{withdrawal}(d)}$ ) for all days (d) of the month concerned.

### **5.3 Increased variable Fees**

For each Day for which the nomination made by the Storage Buyer for injection and/or withdrawal deviates from the rules according to article 4, excluding, however, article 4.5.2 sub-clause (i), and Storage Seller does not reject such nomination, the respective Variable Fee for Injection ( $VF_{Injection(d)}$ ) and/or the Variable Fee for Withdrawal ( $VF_{Withdrawal(d)}$ ) shall apply for the relevant Day(s) with the following modifications:

a) the Variable Fee for Injection ( $VF_{Injection(d)}$ ) shall amount to

$$VF_{Injection(d)} = H_{\max \text{ hourly quantity IJ}(d)} \times 24 \times SE_{injection} \times 4$$

b) the Variable Fee for Withdrawal ( $VF_{Withdrawal(d)}$ ) shall amount to

$$VF_{Withdrawal(d)} = H_{\max \text{ hourly quantity WD}(d)} \times 24 \times SE_{injection} \times 4$$

This shall apply irrespective of such nominations being either daily flat band nominations or containing different hourly values for the Day.

**5.4 Contract Price:** The Contract Price for any deliveries and acceptances (both in relation to Injections and Withdrawals) of Natural Gas at the Delivery Point under this Individual Contract shall be equal to zero (0.00 EUR/MWh). For the avoidance of doubt, no invoices shall be issued for deliveries (Injections or Withdrawals) of Natural Gas pursuant to this Individual Contract.

## **6. Quantity Specifications:**

**6.1 Maximum Hourly Injection Quantity:** 348 MWh/h

**6.2 Maximum Hourly Withdrawal Quantity:** 580 MWh/h

**6.3 Working Gas Quantity:** (i) at all times during the Total Supply Period, the Working Gas Quantity shall be the aggregate of all quantities Injected (or deemed Injected according to sub-paragraph (ii) below) less the aggregate of all quantities Withdrawn (or deemed Withdrawn according to sub-paragraph (ii) below) plus the Opening Working Gas Balance.

(ii) Without prejudice to the Parties' rights and obligations arising in connection with clause 7, in case of a failure to deliver or accept the quantities Nominated for Injection or Withdrawal in accordance with clause 4, the quantities so Nominated shall be considered for the calculation of the Working Gas Quantity and any Default Quantity shall be deemed Injected or deemed Withdrawn for the purpose of the Working Gas Quantity and clause 5.2 and 5.3 above.

**Maximum Working Gas Quantity:** 270,000 MWh

**6.4 Opening Working Gas Balance:** 0 MWh.

**6.5 Closing Working Gas Balance:** The Working Gas Quantity at the end of the Total Supply Period or upon (Early) Termination of the General Agreement

(“Closing Working Gas Balance”) shall be 0 (zero). If at such moment the Closing Working Gas Balance is

(i) greater than 0 (zero), then the Storage Seller shall pay to the Storage Buyer:

(a) an amount equal to the Closing Working Gas Balance residual volume multiplied by 100% of the Reference Price, if the Storage Buyer was not able to Withdraw the respective quantities of Natural Gas for reasons of Force Majeure or for default of the Storage Seller; or

(b) an amount equal to the Closing Working Gas Balance residual volume multiplied by 50% of the Reference Price, in all other cases.

(ii) less than 0 (zero), then the Storage Seller shall sell and the Storage Buyer shall buy and pay for the amount equal to the difference between 0 and the Closing Working Gas Balance multiplied by 150% of the Reference Price.

For purposes of this clause 6, the relevant Day for the Reference Price shall be the last Day of the Total Supply Period or as applicable the Early Termination Date.

**7. Failure to deliver or accept, Positive Energy Imbalance Price and Negative Energy Imbalance Price:**

**7.1 Failure to deliver or accept** In the event that there is a failure to deliver or accept the quantity as specified for Injection or Withdrawal in the Nomination for any reason other than Force Majeure, § 8 of the General Agreement shall apply analogously, save the following amendments:

(i) §8.1(a) (*Underdelivery*) and §8.4(a) (*Over Acceptance*) shall be deleted and replaced as follows:

“(a) the Positive Energy Imbalance Price”

(ii) §8.2(a) (*Under Acceptance*) and §8.3(a) (*Overdelivery*) shall be deleted and replaced as follows:

“(a) the Negative Energy Imbalance Price”; and

(iii) Under §8.2 (*Under Acceptance*) and §8.4 (*Over Acceptance*) the compensation amount shall be payable by the Seller to the Buyer and not by the Buyer to the Seller.

**7.2 Positive Energy Imbalance Price and Negative Energy Imbalance Price:**

**Positive Energy Imbalance Price:** shall mean the price (per kWh of Natural Gas, stated in Eurocents) published by the Network Operator for the relevant Day of default in the Total Supply Period under <https://www.net-connect-germany.de/en-gb/Transparency-information/Prices/Imbalance-Prices> under the heading “positive energy imbalance fee” (or successor heading or publication that reports prices effective for the relevant Day).

**Negative Energy Imbalance Price:** shall mean the price (per kWh of Natural Gas, stated in Eurocents) published by the Network Operator for the relevant Day of default in

the Total Supply Period under <https://www.net-connect-germany.de/en-gb/Transparency-information/Prices/Imbalance-Prices> under the heading “negative energy imbalance fee” (or successor heading or publication that reports prices effective for the relevant Day).

**8. Reference Price:**

shall mean the price per MWh of Natural Gas, stated in Euros, published for the relevant Day of the Total Supply Period by the ICIS Heren European Spot Gas Markets or any successor publication published by ICIS Heren or its successor, under the heading “Heren Daily Indices | NCG D-1” or any successor headings or publication that reports prices effective for the relevant Day of the Total Supply Period.

**9. Time Unit:**

**1 (one) hour**

**10. Tolerance:**

**0**

**11. Other arrangements:**

**Interpretation of Buyer, Seller and Contract Quantity:** For the purposes of the application and interpretation of the provisions of the General Agreement:

- (a) in case of Injection the Storage Buyer shall be deemed to be the Seller and the Storage Seller shall be deemed to be the Buyer;
- (b) in case of Withdrawal the Storage Seller shall be deemed to be the Seller and the Storage Buyer shall be deemed to be the Buyer; and
- (c) the “Contract Quantity” shall be interpreted as the quantity Nominated for Injection or Withdrawal in accordance with clause 4 (Nomination Conditions).

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*Uniper Global Commodities SE*

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