



Agenda

- 12:00 Opening
 Competition law guidelines
 Operation of the Finnish gas market in the
 event of a supply disruption
- Coffee break*
- Greetings from transmission business
 unit
 Discussion on the functioning of the gas
 market model and Gasgrid services
 Mentimeter and final words
- ≈ 14:30 Closure of the Forum



A photograph of a gas processing facility, likely a compressor station, set in a natural landscape. The facility features several large, horizontal black storage tanks and complex networks of red and black pipes. Some pipes are elevated on metal scaffolding. The ground is covered in gravel. In the background, there is a dense forest of green trees under a clear sky. The foreground shows a rocky, grassy slope with some blurred vegetation. A semi-transparent dark banner is overlaid across the middle of the image, containing white text.

Reminder of Competition law guidelines for Gasgrid Finland and its market forums

Guidelines for the market forum meetings

1. The meeting materials sent in advance must clearly indicate both the matters for which discussion and the participation of the participants are expected, as well as matters that are for information only.
2. Meeting agenda is adopted by the participants as the rules of procedure of the meeting and is maintained throughout the meeting.
3. Meeting materials are published on Gasgrid Finland's [website](#) simultaneously for members of market forums and all stakeholders.
4. Meetings and meeting materials are to be carefully planned so that they do not deal with non-public or sensitive information.
5. Competition guidelines for meetings are reviewed at regular intervals in market forums, in particular when new members and / or representatives join.
6. No sensitive information is discussed at meetings, nor the accuracy of information provided to the market by others speculated about.
7. No more detailed information on Gasgrid Finland's financials than what is publicly available is provided (interim reports and financial statements).
8. Statistical summaries and market reviews do not contain any comments, analyzes or observations that may be used to infer company specific information on future prices or market developments.
9. The meeting will be adjourned, if the conversation moves to a prohibited subject/area.
10. Names of the participants and the topics discussed in the meeting will be recorded in the meeting minutes in a factual and clear manner.

Prohibited restrictions of competition

- Generally speaking, all **agreements, decisions** and **other arrangements** which have as their **object** or **effect** the **prevention, restriction** or **distortion** of competition are prohibited.
- In particular, those which:
 1. directly or indirectly fix purchase or selling prices or any other trading conditions;
 2. limit or control production, markets, technical development, or investment;
 3. share markets or sources of supply;
 4. apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage
- This so-called the cartel prohibition requires, inter alia, that **competitors**:
 - do not exchange, directly or indirectly, **confidential** or **sensitive information** which may **have an effect** on the future competitive and market behavior of the companies.
- However, general cooperation and lobbying to enhance the functioning of the market (e.g. joint market research, joint preparation of general rules of the game affecting the functioning of the market) may be allowed under certain conditions.

Competitively sensitive information

- Generally, information that **is not available** from public sources is considered sensitive, such as:
 - purchasing areas, sales areas;
 - market share information;
 - sales volumes;
 - cost structures;
 - information about customers and their purchases;
 - information relating to tenders; and
 - customer-specific discounts or discount policies.
 - The more **detailed, company-specific**, and **up-to-date** the information, the more likely the information is to be **considered sensitive**.
- In the **context** of Gasgrid Finland's market forums:
 - Unpublished information, such as:
 - gas sales and purchase prices or information from which prices can be deduced;
 - gas production volumes, production plans, maintenance, etc. decommissioning plans, investment plans, plant decommissioning plans;
 - gas consumption plans, expansion / reduction plans affecting consumption;
 - Gas import / export plans;
 - Gas transmission disruptions, planned outages not announced to the market, network construction plans.

Ensuring compliance with the guidelines



Guidelines are reviewed in the market forums



New members must always familiarize themselves with the guidelines



Compliance is supervised, in particular, by the chairmen of the market forums and the Gasgrid Finland staff participating in the meetings



Finnish gas market operations in the event of supply disruptions

Finnish market operations during a disruption in the gas supply

Responsibilities of the TSO with system responsibility in an emergency situation

- It is the duty of the TSO with system responsibility to keep Finland's gas system in balance both physically and commercially in all circumstances
- A market-based approach will be followed for as long as possible
- Customers will be treated equally as long as market-based conditions prevail
- In an emergency or a situation provided for in the Emergency Powers Act, gas is distributed in the region as instructed by the national authorities
- Supplies to gas users protected under the regulation on the security of gas supply must be secured

Finnish market operations during a disruption in the gas supply

Why is it important to achieve balance in the gas system quickly?

- Gasgrid Finland's pipeline storage can support a significant physical imbalance in the system from a few hours to approximately one day, depending on the situation.
- A sufficient level of gas in pipeline storage is a technical requirement for all gas grid customers to be able to use gas.
- If the system is not in balance physically and gas use exceeds the entry of gas into the system for a long time, it jeopardises the gas use of all gas system customers, with the exception of protected customers.

How has market steering changed since the market opened, and why?

- Before the gas market was opened, a single operator was responsible for wholesale gas deliveries and all deliveries came from a single source. In that system, it was justified to divide the shortage equally over the whole market in the event of gas supply disruptions and cut the confirmed deliveries of all gas users.
- After the opening of the market, the system has been supplied by several wholesale suppliers, and gas can be delivered from several supply sources. Therefore, a possible supply disruption affecting a single supply source is not a reason for dividing the shortage according to the previous model. The TSO cannot interfere with the supplies of the remaining supply source, but the market must realign itself on market-based terms between the operators themselves.

Finnish market operations during a disruption in the gas supply

EARLY WARNING LEVEL

- There is a disruption in gas deliveries that creates an imbalance between the amounts of gas entering Finland and used in Finland. The event is of such magnitude and foreseen duration that the TSO with system responsibility has to initiate commercial market steering to achieve balance.
- The TSO with system responsibility notifies the market immediately of the matter with an UMM message on Get Baltic's UMM platform.
- The TSO with system responsibility restricts border transfer nominations to correspond to the changed circumstances. The TSO with system responsibility cannot approve nominations that have not been confirmed by both the gas supplier and importer. Restricting nominations causes a commercial imbalance in the Finnish system if gas imports are not increased from other sources or gas consumption does not adapt to the new level.
- The TSO with system responsibility seeks to steer the market to balance by trading on the Get Baltic gas market or acquiring gas with balancing service contracts where possible. These measures will increase the selling price of balancing gas, steering the market towards balance.

The market operates purely on market terms, and no gas use restrictions are set for operators; rather, balance is sought through commercial steering of the operations.

Finnish market operations during a disruption in the gas supply

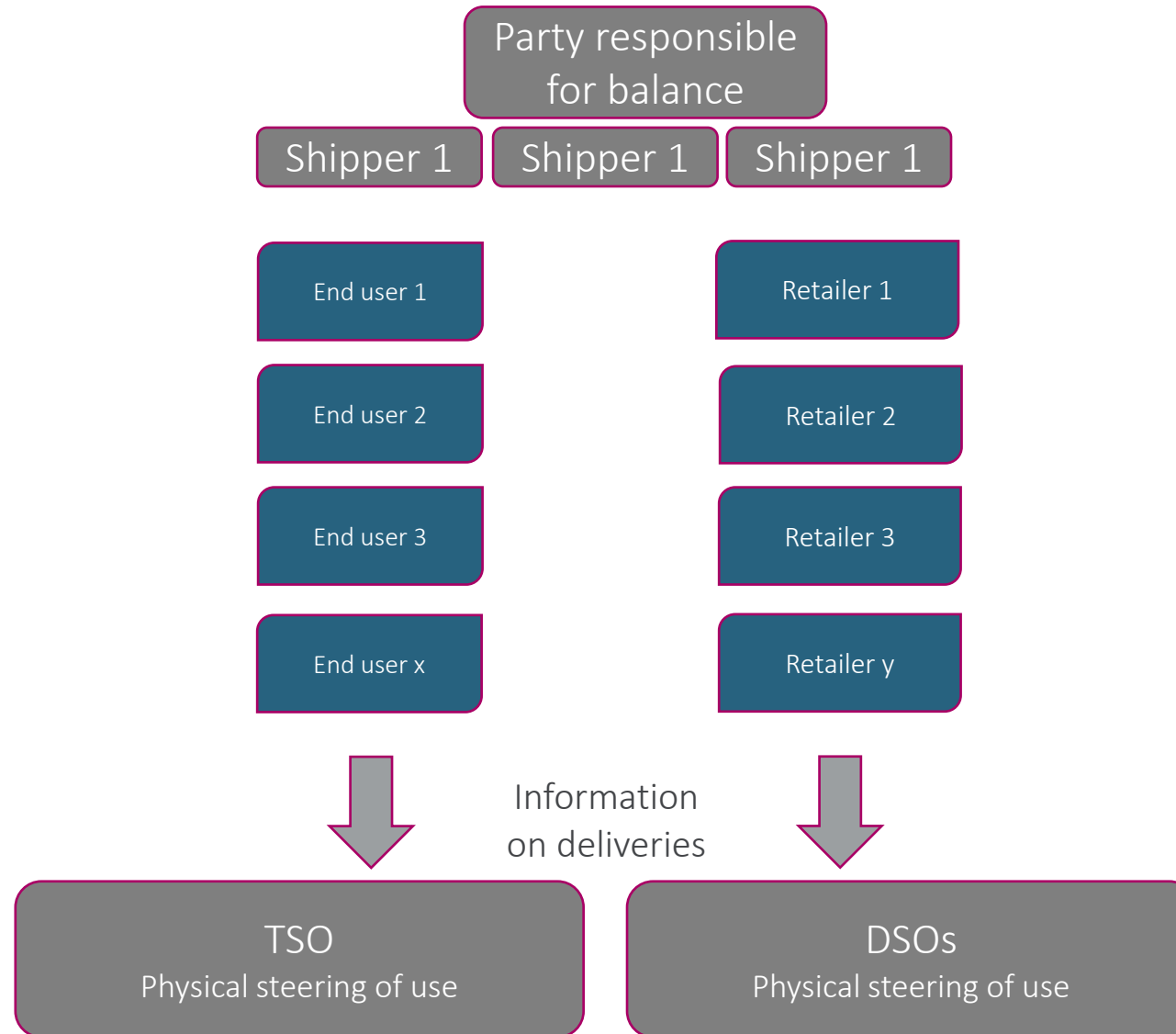
ALERT

- If system balance cannot be achieved through commercial steering methods employed by the TSO with system responsibility, the system will be moved to alert status, in which the TSO with system responsibility orders the parties responsible for balance to balance their gas use in proportion to the gas supply.
- The alert level can be activated very rapidly if required by the circumstances, if the system imbalance is high in proportion to the assumed effectiveness of commercial steering measures and if the TSO with system responsibility is not able to deliver sufficient quantities of balancing gas to the market.
- The TSO and DSOs monitor gas use in proportion to the information provided to the TSO with system responsibility on the continuity of deliveries. If necessary, the system operators will cut physical deliveries to customers without confirmed deliveries who do not adapt to the situation.
- Market operators are obliged to balance their positions as accurately as possible – minor deviations from the balance will be handled with the TSO with system responsibility through balancing gas purchases/sales according to the balancing terms and conditions. If a price cannot be set for balancing gas, the parties will seek to agree on an alternative model, in which the previous day's balance deviation is transferred to the next day.
- The TSO with system responsibility secures the gas supply of customers protected under the security of gas supply regulation from its pipeline storage if the obliged supplier of such customers is incapable of delivering gas due to technical reasons (preparedness is LNG-based). In such cases, the TSO with system responsibility agrees on how the gas taken from pipeline storage will be compensated to the TSO with system responsibility.

The market will continue to operate on market terms – operators with purchased gas are free to use or sell it. Parties can trade gas energy over the counter (OTC) or through a marketplace.

TSO with system responsibility

System ordered to stay in balance



Finnish market operations during a disruption in the gas supply

EMERGENCY

- If system balance is still not achieved or the functioning of society is threatened, the National Emergency Supply Agency can declare an emergency.
- If necessary, gas deliveries to protected customers will be secured through the Mäntsälä LNG entry point. Gasgrid offers protected customers within the scope of obligatory storage with sufficient input power into the system when the transmission system pressure has dropped below 10 barg.

Responsibilities of the parties in an emergency

The transmission system operator (TSO) with system responsibility (Gasgrid Finland) is responsible for maintaining the balance of the Finnish gas system. Seeks to obtain balancing gas for the market in order to avoid more serious measures for steering use.

The transmission system operator (TSO, Gasgrid Finland) offers gas transmission services within the capacity of the physical transmission system. If the TSO with system responsibility has to order the parties responsible for balance to stay within their balances, the TSO prepares for the need to restrict gas deliveries to individual end users in the transmission system with no confirmed delivery information.

The parties responsible for balance are responsible to the TSO with system responsibility for the operations of their own balance group. If the TSO with system responsibility is forced to order the parties responsible for balance to stay within their balances, the parties must assess the availability of gas within their own balance groups in relation to the purchase of available gas energy.

Retailers: If the TSO with system responsibility is forced to order the parties responsible for balance to stay within their balances, retailers in the transmission system must assess the deliveries under their responsibility in relation to the information provided by the balance-responsible party or the

shipper about their own gas availability. The retailers must inform Gasgrid Finland and the concerned distribution network operator of the continuity of supply for each end user.

DSOs: If the TSO with system responsibility is forced to order the balance-responsible parties to stay within their balances, the DSOs must increase their readiness so that they will be able to restrict gas deliveries to individual end users with no confirmed delivery information if required.


End users (with the exception of protected users) are responsible for their own preparedness for various scenarios through gas purchases and/or flexibility in demand. **We encourage gas users to discuss gas deliveries under different scenarios with their suppliers.**

Communications in an emergency

- Gasgrid notifies the market without delay through the Get Baltic UMM platform of significant market developments, such as:
 - the transmission capacities offered to the market and their changes both in Imatra and Balticconnector;
 - possible disruptions in the gas supply and their immediate effects on market steering – restriction of nominations; and
 - market steering measures taken by the TSO with system responsibility.

<https://umm.getbaltic.com/public-umm>

- In addition to the UMM messages, information on emergencies will be published on Gasgrid's website: www.gasgrid.fi
- Gasgrid seeks to contact all necessary parties by telephone to ensure the sufficiently rapid adaptation of the market.
- **Gas users should primarily discuss the future of operations with their own suppliers.** Gasgrid will contact gas users if risks are identified to the technical delivery of gas to individual end users due to reduced pressure in the transmission system or other technical reasons.

A photograph of an industrial facility, likely a refinery or chemical plant, during sunset. The scene is dominated by large, horizontal, cylindrical storage tanks or reactors, painted in a bright yellow color. These tanks are connected by a network of pipes and valves, also painted yellow. In the foreground, a metal walkway with a safety railing runs alongside the tanks. The background shows a clear sky with the sun low on the horizon, creating a strong lens flare and casting a warm, golden light over the entire scene. A tall, thin structure, possibly a distillation column or a flare stack, is visible in the distance. The overall atmosphere is one of industrial scale and natural beauty.

Coffee break – continues 13:05



Greetings from transmission business unit

Greetings from transmission business unit

- In the end of February, the operating environment in the transmission business changed rapidly due to Russian invasion of Ukraine. The geopolitical situation and the price level of gas energy at the EU level have led to a decreased gas use in Finland.
- The changed operating environment has shifted the focus of the activities of transmission business unit to security of supply issues and ongoing dialogue with gas market participants, the Baltic TSOs and regulatory interfaces. Also, possible fundamental changes on the gas market (such as large size LNG terminal) has brought the need to assess the impacts to the Finnish gas market model. Thus, part of the development projects (such as evaluation of the balancing model in Finland) scheduled for this year have been postponed.
- The negotiations concerning the FSRU LNG terminal are ongoing.
 - Due to the absolute necessity of the LNG FSRU project, it will be implemented with an exceptionally fast timetable. An exceptionally fast schedule requires seamless cooperation between different actors.
 - Gasgrid Finland and Elering have signed a Cooperation Agreement on the renting of a LNG floating terminal
 - The lease of the terminal vessel will enable Finland to distance itself from the dependence on Russian pipeline gas.
 - The fastest solution to ensure Finland's security of supply and the continuity of gas supplies to households and industry in all different scenarios is an LNG terminal vessel.

Greetings from transmission business unit

- Port structures will be built for the LNG vessel off-the-coasts of Finland and Estonia, which will ensure security of supply in the event of long-term disruption of gas supplies in both countries.
- The terminal vessel is scheduled to be available in Finland next winter. If the Finnish port facilities are not completed within this schedule, the vessel will be temporarily located in Estonia. The final site for the LNG vessel will be in the territory of Southern Finland.
- **Gasgrid will inform market on the progress on the LNG vessel project instantly once there are new information to be published.**
- The guarantee of origin system was successfully introduced at the beginning of April.
- Regional co-operation with the Baltic countries is very close at many levels. Also, at the regional level, the focus is on security of supply and emergency preparedness.
- The GIPL pipeline connection between Lithuania and Poland was successfully commissioned at the beginning of May.

Balticconnector capacities – direction EE to FI

- The TSOs of Finland and Baltic States have undergone very active discussion on the market situation in the Finnish-Baltic region.
- There are uncertainties on the continuity of the gas flows through 3rd country points in the Finnish-Baltic region. Disruption of gas flows from 3rd country points would impact the TSOs capability to transport gas between the countries.
- The TSOs are prepared to mitigate the increased risk of disruption by postponing some maintenance works scheduled for the upcoming summer period. Also, the TSOs have prepared the action plan with the objective to minimize the negative impacts on the market caused by the uncertain market situation and risk of supply disruption from 3rd country points.
- Gasgrid published the supplementary document on the technical capacities of BC in order to increase transparency and understanding the transportation capabilities of the TSOs in Finnish-Baltic region.
 - Link to the document: <https://gasgrid.fi/2022/05/16/the-supplementary-document-on-technical-capacity-of-balticconnector-interconnection-point-in-the-summer-2022/>

Balticconnector capacities – direction EE to FI

Capacities – situation on 17th of May 2022

Gas days	Start date	End date	Capacity published [GWh/day]
DIRECTION EE-FI			
	1.6.2022	19.6.2022	65,4
	20.6.2022	30.6.2022	45,6
	1.7.2022	31.7.2022	12,0*
	1.8.2022	21.8.2022	65,4
	22.8.2022	31.8.2022	65,4

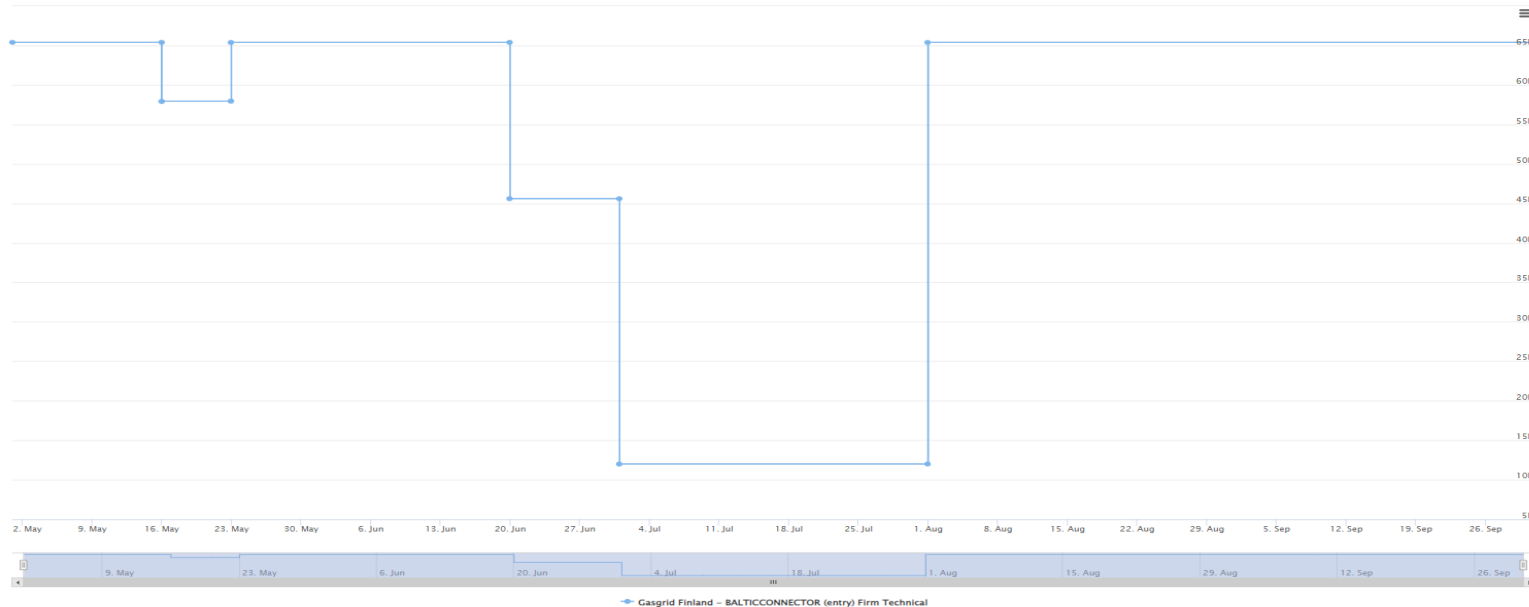
*For the period where Tallinn-Vireši pipeline is under maintenance, Balticconnector capacity is dependent on the entry flows from 3rd countries (Värskä point). The capacity up to 12GWh can be provided only if the entry flows in mentioned connection point are present during the period. The TSOs will assess the flows daily and will update capacity in case there is no flow present. In case no flow is present in Värskä, capacity will be reduced (if no flow is present, no capacity will be available).

Capacities **IF** supply disruption from 3rd country points

Gas days	Start date	End date	Capacity if NO supply from 3rd country points [GWh/day]
DIRECTION EE-FI			
	1.6.2022	19.6.2022	40,56
	20.6.2022	30.6.2022	40,56
	1.7.2022	31.7.2022	40,56
	1.8.2022	21.8.2022	40,56
	22.8.2022	31.8.2022	40,56

Balticconnector capacities – direction EE to FI

- The primary channel for the market information publication is the UMM platform: <https://umm.getbaltic.com/public-umm>.
- Gasgrid publishes the up-to-date technical capacity information at the ENTSOG Transparency Platform: <https://transparency.entsog.eu/#/points/data?from=2022-05-01&indicators=Firm%20Technical&points=fi-tso-0003itp-00550entry&to=2022-09-01>
- Please follow the UMMs and the technical capacities actively in order to find the up-to-date information.
- BC technical capacities include both the capacity offered by the TSO to be nominated AND the part of capacity allocated for GET Baltic (currently 10 % of the total technical capacity) to be implicitly offered for the market participants.





Discussion on the functioning of the gas market model and Gasgrid services

Our Customer Service channels have merged

- On 10 May 2022, we introduced a new service request system in our customer service, which aims to improve the quality and reachability of our customer service by providing a single channel for customer contacts.
- From now on you can contact us at customerservice@gasgrid.fi
- For our customers, this change will be visible as service request numbers in the reply messages
- Our old customer service channels info@gasgrid.fi, commercial@gasgrid.fi, technical@gasgrid.fi, biogascertificate@gasgrid.fi and go@gasgrid.fi will be disabled from customer service use

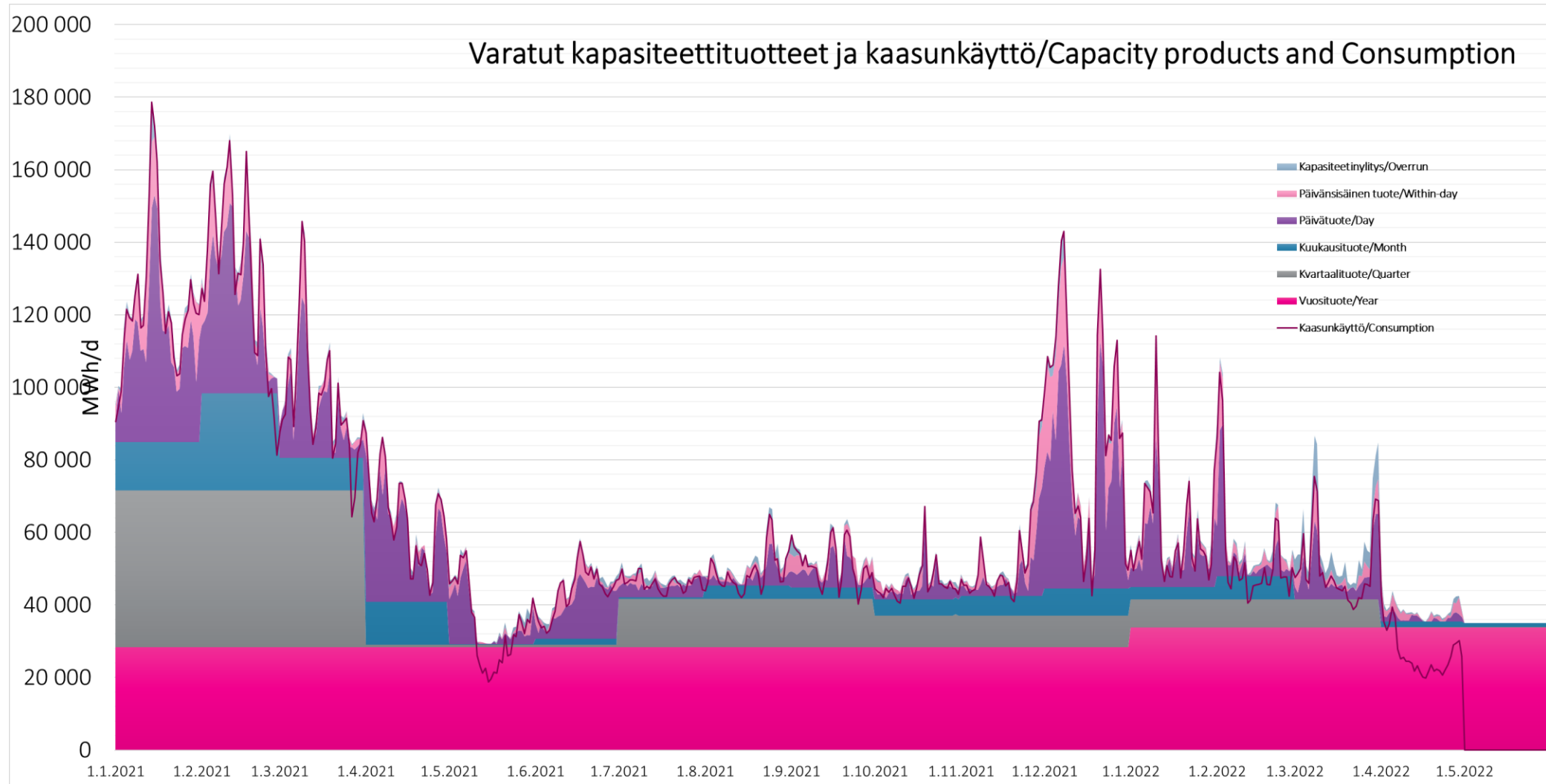
Development actions

- Ongoing:
 - The launch of Hamina LNG – based on HLNG press release, the commercial commissioning will be in October 2022.
 - There has been updates on natural and biogas taxation where the announcement principles and the IT system enhancements have been implemented. Also, a channel for biogas use announcements and billing has been built into the portal.
 - The project to update the framework agreements for market roles ongoing.
 - Improvements on the data reporting at ENTSOG Transparency Platform (available capacity data).
 - Gas composition data via portal API (BC and Imatra) in monthly resolution.
 - Gasgrid internal system development aiming to increase the level of efficiency.
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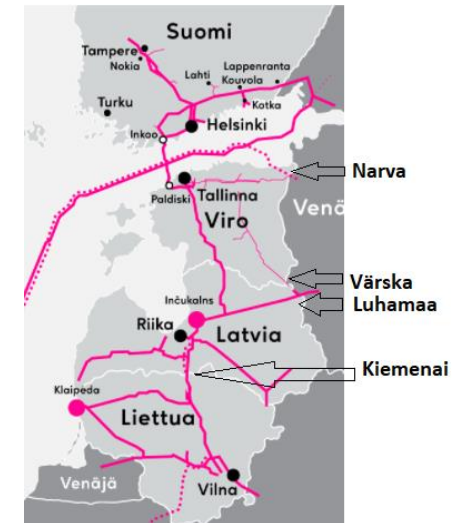
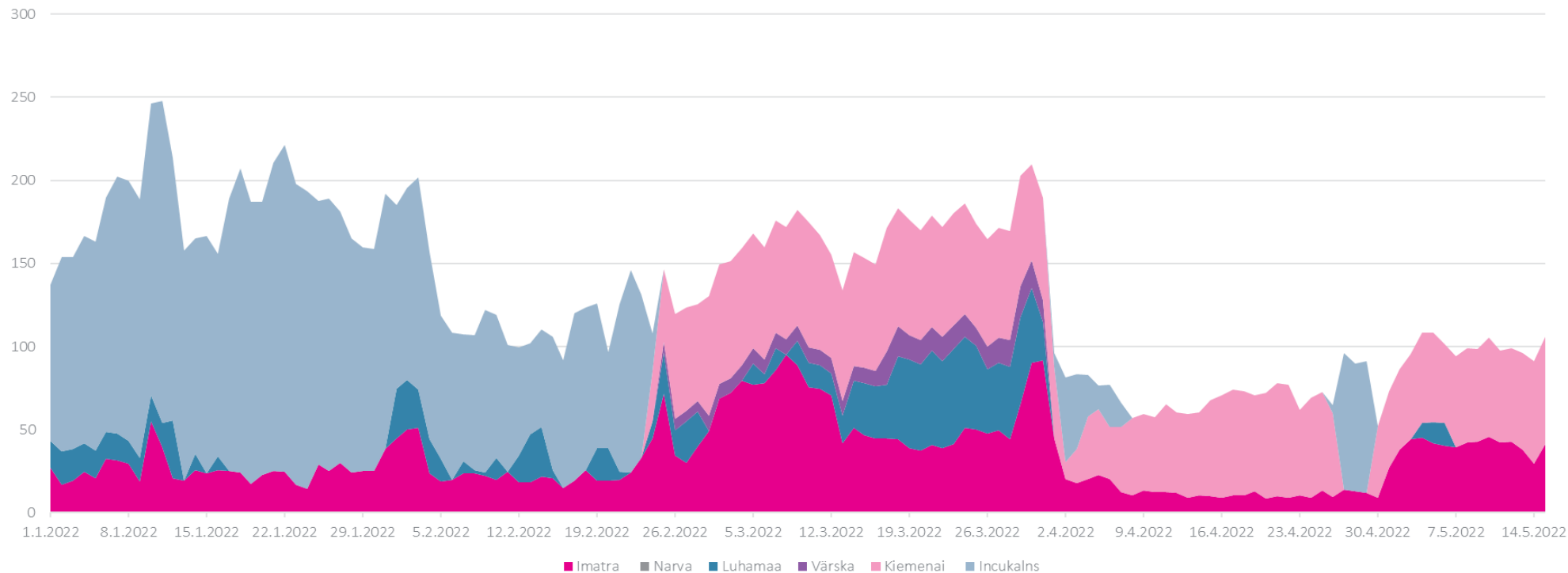
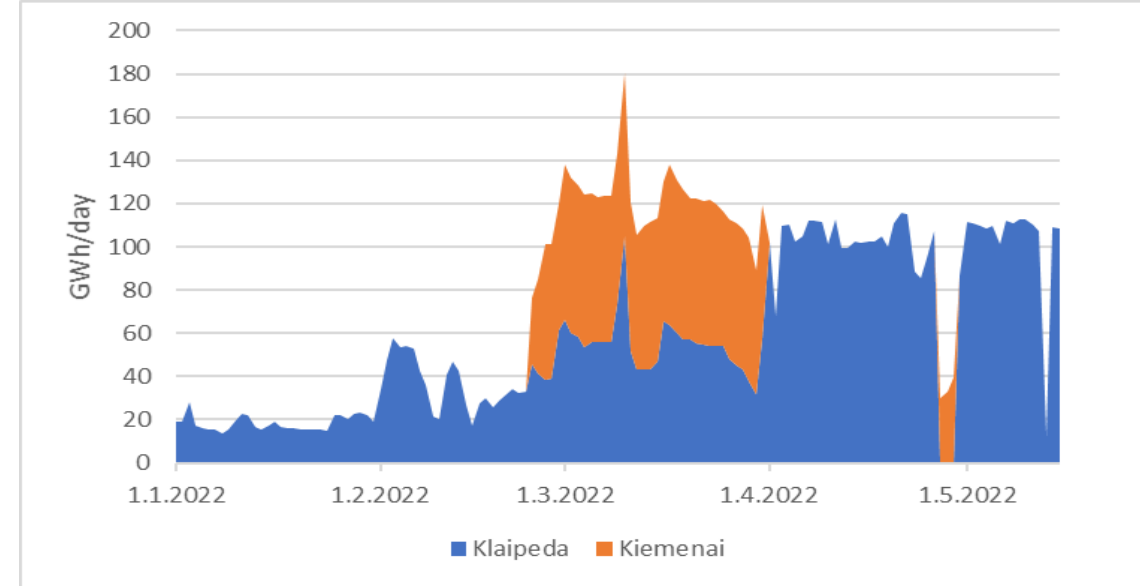
Market data overview

Gas consumption in Q1/2022: app 4,9 TWh

Gas consumption in April: app. 0,8 TWh



Regional data – physical flows in FINESTLAT market area

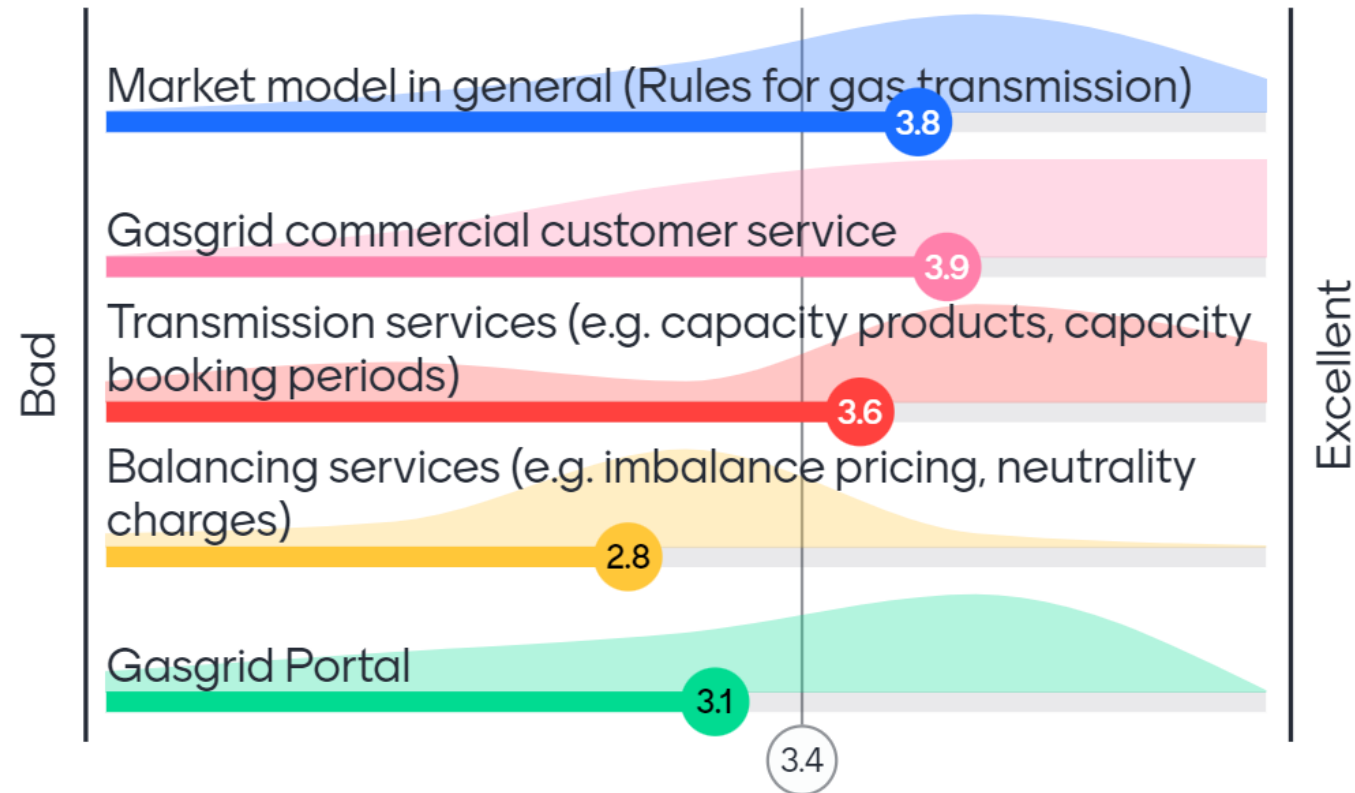


Source: Transparency Platform

A photograph of an industrial facility, likely a refinery or chemical plant, featuring large, dark-colored pipes and valves. The scene is illuminated by the warm, golden light of a setting or rising sun, creating a strong lens flare effect. The background shows a line of trees and a clear sky. A semi-transparent dark band across the middle of the image contains the text "QUESTIONNAIRE RESULTS" in white, bold, sans-serif capital letters.

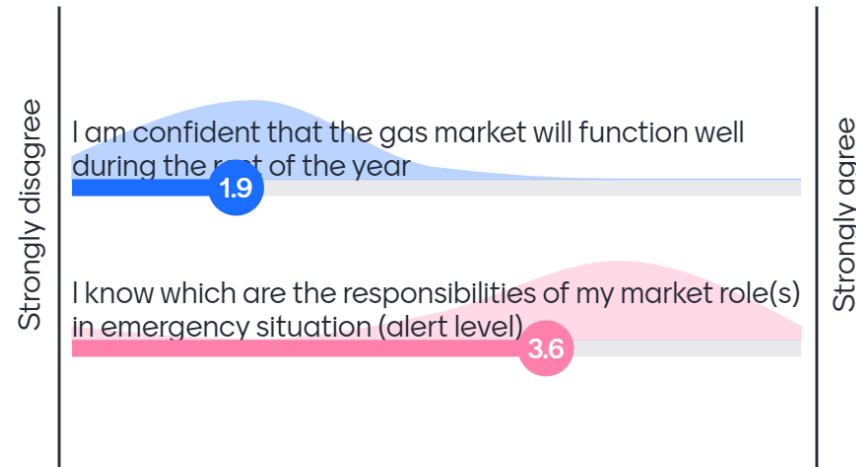
QUESTIONNAIRE RESULTS

Functioning of Finnish gas market



Please indicate your thoughts on the following statements

Mentimeter



10
Person icon

Free word - comment/question/feedback

Mentimeter

Give rather more information than less in current circumstances

balance price 10% Finland, 5 % Estonia

Was this Forum worth your valuable time?

