

Gas Transmission Rules

Version 2.0

Non-binding English version.

The Finnish version shall prevail over the English one.

December 01, 2020

Version 2.0 will take effect on January 1, 2021

Version history

Version	Date	Change
1.0	30.7.2019	First non-binding English version
2.0	30.11.2020	<p>Corrections to the chapter 17.5, Rules for LNG injection added, corrected the definitions of gas exchange, corrected the data exchange in nomination process, added the address and e-mail of the Portal.</p> <p>Balticconnector nomination data exchange procedure specified and corrected the principle of handling Imatra nomination</p> <p>Exporting changes made to the Terms and Conditions of Balancing and the Gas Market Rules Handbook.</p> <p>Clarifications to the definitions.</p> <p>Amended the section 7.9.3.</p> <p>Amendments to the chapter 9.4. Amendments to the chapter 6 (Secondary Capacity)</p>
2.0	17.12.2020	Exported the Gas Market Handbook definition of a Connection Point.

Contents

- Version history 2**
- 1 Introduction 8**
- 2 Definitions..... 9**
 - 2.1 Definitions used9
 - 2.2 Use of singular and plural forms 16
 - 2.3 References to sections 16
- 3 Conditions for acting as a Market Participant 17**
 - 3.1 Requirements..... 17
- 4 Register of Market Participants 18**
 - 4.1 Registration obligation 18
 - 4.2 Market Participants’ Master Data..... 18
 - 4.3 Registration of Delivery Relationships of Retailer, Biogas Injecting Party, Transmission Network End User and Distribution System Operator 19
 - 4.3.1 Status information for Consumer Portfolios, Residual Consumption Portfolios, Biogas Portfolios and Transmission Network End User Metering Sites 19
 - 4.4 Notification of Delivery Relationships 21
 - 4.4.1 General 21
 - 4.4.2 New Delivery Relationships 22
 - 4.4.3 Termination of existing Delivery Relationships 23
- 5 Capacity allocation principles 25**
 - 5.1 General 25
 - 5.2 First-come, first-served (FCFS) procedure 25
 - 5.2.1 Capacity Periods 25
 - 5.2.2 Types of Capacity 26
 - 5.2.3 Submission of Capacity Orders 26
 - 5.2.4 Deadlines 27
 - 5.2.5 Conclusion of Capacity Agreements 28
 - 5.3 Manual Procedure 28
 - 5.3.1 Submission of Capacity Orders 28
 - 5.3.2 Deadlines 28
 - 5.3.3 Conclusion of Capacity Agreements by way of Manual Procedure 29
 - 5.4 Increasing the offering of Daily Capacity at Imatra Entry Point 29
 - 5.5 Lack of available long-term firm Capacity (UIOLI) at Imatra Entry Point 29

5.5.1	Recommendation of Transmission System Operator with System Responsibility to trade in the secondary market	30
5.5.2	Analysis by the Transmission System Operator with System Responsibility of the Shippers' requirements	30
5.5.3	Compulsory Capacity Transfer	30
5.6	Implicit Allocation of Capacity for the Balticconnector Entry and Exit Points	31
6	Capacity Transfers	32
6.1	Capacity Transfers	32
6.2	Capacity Transfer procedure	32
6.3	Conditions for Capacity Transfers	32
6.4	Capacity Transfer Procedure on the Portal	33
6.4.1	Information to be provided in a Capacity Transfer Request	33
6.4.2	Submission of a Capacity Transfer Request	34
6.4.3	Deadlines	34
6.4.4	Amending and cancelling Capacity Transfers	34
6.5	Capacity transfer procedure through the service provider's capacity transfer platform	35
6.6	Manual Procedure for Capacity Transfers	35
6.6.1	Conditions for the manual procedure for Capacity Transfers	35
6.6.2	Manual Capacity Transfer Procedure and its deadlines	36
6.6.3	Amending and cancelling an accepted Capacity Transfer	36
6.7	Capacity Transfer charges	37
7	Nomination and Trade Notification procedures	38
7.1	Nominations before the Gas Day	38
7.2	Renominations for the entire Gas Day or for the remaining hours of the Gas Day	39
7.3	Conditions for Nominations and Renominations	40
7.4	Refusal of Nominations and Renominations	40
7.5	Reduction of Nominations, Confirmed Nominations and Renominations at the Imatra Entry Point and LNG Virtual Entry Point	40
7.5.1	Reduction of Nominations and Renominations exceeding the Shipper's Capacity	40
7.5.2	Prioritization of Nominations and Renominations in respect of firm and interruptible Capacity	41
7.6	Matching and acceptance of Nominations at the Balticconnector Interconnection Point	41
7.6.1	Matching of Nominations at the Balticconnector Interconnection Point	41
7.6.2	Acceptance of Nominations at the Balticconnector Interconnection Point	42
7.7	Matching and confirmation of nominations in the LNG Virtual Entry Point	42
7.8	Reducing Nominations at Balticconnector, LNG Virtual Entry Point and Imatra Entry Point for other reasons	42
7.8.1	Reduction due to repairs, maintenance or reduced transmission capacity	42

7.8.2	Reduction due to non-compliance with quality requirements	42
7.8.3	Restrictions due to an Exceptional Situation or force majeure	43
7.9	Trade Notifications	43
7.9.1	Conditions for Gas Transfers	43
7.9.2	Submission of Trade Notifications	43
7.9.3	Trade Notifications concerning trades on a gas exchange	44
7.10	Matching procedure at the Virtual Trading Point	45
8	Allocation	46
8.1	Allocation applied to the Balticconnector Interconnection Point	46
8.2	Allocation applied to the Imatra Entry Point and LNG Virtual Entry Point	46
8.2.1	The Shipper’s supply contract is based on metered quantities of gas and/or the Shipper is in a dominant market position at the Imatra Entry Point	46
8.3	Allocation principle applied to Gas Transfers	47
8.4	Preliminary Allocation principle applied to Daily Read Metering Sites in the Exit Zone and at Biogas Entry Points	47
8.5	Preliminary Allocation principle applied to Non-Daily Read Metering Sites in the Exit Zone	48
9	Balancing and balance settlement	50
9.1	General	50
9.2	Daily balancing	51
9.2.1	Obligation of the Transmission System Operator with System Responsibility to provide Shippers and Balance Responsible Parties with information before a Gas Day	51
9.2.2	Obligation of the Transmission System Operator with System Responsibility to provide Shippers, Traders and Balance Responsible Parties with information during a Gas Day	51
9.2.3	Balancing actions of the Transmission System Operator with System Responsibility during the Gas Day	52
9.3	Preliminary settlement on Gas day D+1...M+5D	53
9.4	Final balance settlement M+6D	53
9.5	First and Second Correction	53
9.6	Extraordinary Correction	54
10	Measurement	55
10.1	General	55
10.2	Requirements for measuring equipment intended for metering of consumption	55
10.3	Calculation methods	55
10.4	Measurements at the physical Entry and Exit Points of the Transmission Network and the Distribution Networks and at Transmission Network End User Metering Sites	56
10.5	Verification and calibration of the Gas Measurement System of the Transmission Network	56

10.6	Handling of incorrect measurement data in the Gas Measurement System of the Transmission Network.....	57
10.7	Handling of incorrect measurement data in the Distribution System Operators' Gas Measurement Systems	58
11	Delivery conditions	59
11.1	Delivery conditions for the Virtual Trading Point and the Entry and Exit Points	59
11.2	Delivery terms for the Biogas Entry Points and LNG Entry Points	59
11.2.1	Obligation of the Transmission System Operator with System Responsibility to receive at the Biogas Entry Points and LNG Virtual Entry Points.....	59
11.3	Conditions concerning the Exit Zone	59
11.3.1	Contractual responsibility of the Transmission System Operator with System Responsibility for gas transmission in the Exit Zone	59
11.3.2	Shipper's offtake in the Exit Zone	59
12	Repair and maintenance.....	60
12.1	Repair and maintenance	60
13	Restricted Capacity	61
14	Force majeure.....	62
14.1	General.....	62
14.2	General consequences of Force Majeure	62
14.3	Information	62
14.4	Force majeure of the Transmission System Operator with System Responsibility.....	63
14.5	Shipper's force majeure	63
14.6	Extended force majeure	63
15	Security of supply	64
15.1	Emergency.....	64
15.1.1	Rights and obligations of the Transmission System Operator with System Responsibility	64
15.1.2	Shipper's and Trader's obligations.....	65
15.1.3	Transit.....	65
15.2	Collaboration.....	66
15.3	Protected and non-protected Metering Sites	66
16	Quality requirements.....	67
16.1	Quality requirements	67
16.2	Quality nonconformities at Entry Points	67
16.3	Quality nonconformities at Exit Points	67
16.4	Quality nonconformities in the Transmission Network Exit Zone.....	67
17	Charges and compensations.....	68

17.1	Capacity Charges and Commodity Charges in the Transmission Network	68
17.2	Nomination imbalance charge	68
17.3	Excess capacity charge	68
17.4	Daily imbalance charge.....	69
17.4.1	Grounds for determining the price of balance gas	69
17.5	Charges in a prevailing Emergency situation	71
17.6	Capacity right transfer charges	71
17.7	Charges during Capacity restrictions	71
17.8	Adjustment of charges and compensations.....	72
18	Invoicing.....	73
18.1	Invoicing of Shipper’s Capacity	73
18.1.1	Annual, Quarterly and Monthly Capacity	73
18.1.2	Daily and Within-Day Capacity.....	73
18.2	Monthly invoicing of Shippers and Balance Responsible Traders.....	73
18.2.1	Invoices relating to the First and Second Correction.....	74
18.2.2	Invoices related to extraordinary corrections	74
19	General terms and conditions	75
19.1	Non-disclosure	75
19.2	Passivity	75

Annex 1. Requirements for the quality of natural gas and its determination in the transmission network

Annex 2. Determination of the price of the imbalance charge when the projected imbalance of the system does not require balance management measures from the Transmission System Operator with System Responsibility

Annex 3. Determination of the price of the imbalance charge when the projected imbalance of the system requires balance management measures from the Transmission System Operator with System Responsibility

1 Introduction

These Gas Transmission Rules contain the market rules for the Finnish Gas System for Market Participants operating in the market roles of Shipper and Trader.

The Gas Transmission Rules are in compliance with the Natural Gas Market Act (587/2017) and EU legislation (Natural Gas Directive (EC) 73/2009, natural gas transmission networks regulation (EC) 715/2009 and Commission regulations and Security of Supply Regulation (EC) 1938/2017) issued under it). The requirements of Regulation (EC) 1227/2011 on wholesale energy market integrity and transparency (REMIT Regulation) are not included in the Gas Transmission Rules. The Participants shall be responsible for their respective obligations under the REMIT Regulation.

2 Definitions

The following definitions are used within the meanings given below only in these Gas Transmission Rules.

2.1 Definitions used

Initiating Shipper is the Shipper that initiates a Capacity Transfer by sending a Capacity Transfer Request.

Responding Shipper is the Shipper that responds to a Capacity Transfer Request initiated by the Initiating Shipper.

Business Day means any Gas Day from Monday (beginning at 5:00 UTC daylight saving time or at 4:00 UTC summer time) to Friday (beginning at 5:00 UTC daylight saving time or 4:00 UTC summer time), excluding the Independence Day (December 6), May Day (May 1), Christmas Eve, Midsummer's Eve or other public holiday falling on a Business Day.

Consumer Portfolio means a set of flexible delivery contracts of a retailer, based on which the retailer delivers natural gas to consumption points in the distribution network.

Biogas Entry Point means the physical point at which the processed biogas is fed into the transmission network or the distribution network connected to the transmission network.

Biogas Injecting Party is a Market Participant that injects upgraded biogas into the network and enters into an agreement with a Shipper on the injection of biogas into the Finnish Gas System.

Biogas Virtual Entry Point is a virtual entry point where biogas is injected commercially into the Finnish natural gas system. This includes biogas entry points connected to the transmission network and distribution networks, so that the biogas entry points always have commercial access to the virtual trading point either directly from the transmission network or from the city-gate (connection point between the transmission network and the distribution network).

Biogas Portfolio contains all of the upgraded Biogas Entry Points in the Transmission and Distribution Network to which the Biogas Injecting Party supplies upgraded biogas and concerning which the Biogas Injecting Party must conclude an agreement with a Shipper concerning transmission in the Transmission Network.

Non-Daily Read Metering Site means the consumption point of the distribution network where the allocation of quantities by market participants is made in accordance with non-daily consumption procedures.

Energy Identification Code (EIC) is a standard code scheme for internal European energy markets used, for example, to uniquely identify Market Participants.

Estimated Imbalance is the forecast of the Transmission System Operator with System Responsibility of the entire balance position at the end of the Gas Day based on all of the Balance Groups' Confirmed Nominations for the Entry and Exit Points, the forecast injection of biogas into the network and the forecast offtake from the Exit Zone plus/minus the amount of gas the Transmission System Operator with System Responsibility has traded on the Gas Exchange or placed intraday orders by balancing service agreements to balance the system for the Gas Day in question.

First Correction is the correction that takes place on the third month following the delivery month and is based on the set of measurement data corrected after the final balance settlement.

Global Location Number (GLN) is a Participant identifier that each Market Participant must have so that it can be identified when exchanging information unless the Participant is required to have or has the Energy Identification Code (EIC).

Receiving Participant is a Shipper or Trader that receives natural gas from a Transferring Participant.

Confirmed Nomination is a nomination or renomination which the Transmission System Operator with System Responsibility has confirmed as such or as reduced.

Alert refers to a supply disruption or exceptionally high gas demand that results in significant deterioration of the supply situation but where the market is still able to manage that disruption or demand without the need to resort to non-market measures.

Emergency refers to a situation of exceptionally high gas demand, a significant supply disruption or other significant deterioration of the supply situation. In an Emergency, all relevant market measures have been implemented but the supply of gas is insufficient to meet the remaining gas demand so that non-market measures have to be additionally introduced with view, in particular, to safeguarding supplies of gas to protected Metering Sites.

Distribution Network is a local or regional natural gas pipeline network for the transport of natural gas at reduced pressure, including the part of high-pressure pipelines primarily used in the context of local distribution of natural gas.

Distribution System Operator is a business that carries out the function of distribution and is responsible for operating, ensuring the maintenance of, and, if necessary, developing the distribution network in a given area and its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of gas.

Transmission System Operator with System Responsibility is the Transmission System Operator designated by the Energy Authority as the Transmission System Operator with System Responsibility.

Residual Consumption Consumer Portfolio means the consumer portfolio of the retailer with a delivery obligation in the distribution system operator's area of operation, consisting of non-daily metered sites of the end-users of the distribution network in question for which the retailer has a valid sales contract, and losses in the distribution network.

Gas Month is a period commencing at the beginning of the first Gas Day of any calendar month and ending at the beginning of the first Gas Day of the following calendar month.

Gas Measurement System means a system for measuring gas for metering and, if necessary, quality analyses, as well as recording measurement data up to at least the point where measurement data is read either remotely or manually.

Gas Measurement Recommendations are recommendations agreed between Market Participants concerning the collection, processing and provision of measurement data. The Recommendations take into account the requirements set by legislation and the Transmission System Operator with System Responsibility.

Gas Day is a period commencing at 5:00 UTC (daylight saving time) or 4:00 UTC (summer time) and ending at 5:00 UTC (daylight saving time) or 4:00 UTC (summer time) on the following day.

Gas Exchange (with initial capital letters) is, in accordance with the Network Code on Gas Balancing of Transmission Networks (Article 22(2) of Commission Regulation (EU) No 312/2014/EY 22(3), a marketplace (or marketplaces) pre-

identified by the Transmission System Operator with System Responsibility and approved by the Energy Authority, the prices of transactions executed on which are used by the Transmission System Operator with System Responsibility as Reference Prices when determining the daily imbalance charges and where the Transmission System Operator with System Responsibility may trade to balance the Finnish Natural Gas System. The Gas Exchange may also conclude gas commodity traders between shippers and traders.

Receiving Shipper is a Shipper that receives Capacity rights reserved by a Transferring Shipper from the Transferring Shipper.

Transferring Shipper is a Shipper that transfers Capacity rights it has reserved to a Receiving Shipper.

Capacity is transmission capacity expressed in kWh/hour injected into or withdrawn from the Transmission Network which can be reserved from the Transmission System Operator with System Responsibility.

Capacity Period is any given period of time for which Capacity is offered.

Capacity Charge is the charge that a Shipper must pay to the Transmission System Operator with System Responsibility for Capacity at the Entry Point, in the Exit Zone, at the Exit Points, at the Biogas Virtual Entry Point and LNG virtual entry point.

Manual Capacity Transfer Procedure is a manual procedure in which Capacity Transfer Requests are emailed to the Transmission System Operator with System Responsibility.

Online Capacity Transfer Procedure is an online procedure in which Capacity Transfer Requests are sent to the Transmission System Operator with System Responsibility using the Portal of the Transmission System Operator with System Responsibility.

Capacity Transfer Request is a request by an Initiating Shipper to transfer Capacity rights.

Capacity Agreement is an agreement between the Transmission System Operator with System Responsibility and a Shipper on the Shipper's right to use transmission Capacity. A Capacity Agreement is concluded when the Transmission System Operator with System Responsibility accepts a Shipper's Capacity Order. A Capacity Agreement for a Capacity Period comprises one or more Capacity products.

Capacity Order is an order for Capacity placed by a Shipper.

Trade Notification is a notification submitted by a Shipper or Trader to the Virtual Trading Point about a quantity of gas expressed in kWh/h transferred from the Transferring Participant to the Receiving Participant on Gas Day D.

Transaction Clearer is a business agreed by the Transmission System Operator with System Responsibility to clear all transactions concluded on the gas exchange in question.

Consumer means consumer as defined in chapter 1, section 4 of the Consumer Protection Act (38/1978) who acquires a consumer good mainly for a purpose other than the business activity he or she carries out.

Metering Site means the physical point of the natural gas system to which natural gas is delivered to the end user.

December 1, 2020

Register of Metering Sites is a register maintained by the Transmission System Operator with System Responsibility where information about Distribution Network Metering Sites, Distribution Network Biogas Entry Points and LNG Entry Points connected to the distribution system is filed.

End User is a party connected to a Transmission or Distribution Network that buys gas for its own use.

Transferring Participant is a Shipper or Trader that transfers natural gas to a Receiving Participant.

Marginal Price means either a marginal sell price or marginal buy price calculated as follows:

- a) a marginal sell price is the lower of: i) the lowest price of any sales of title products in which the Transmission System Operator is involved in respect of the Gas Day; or ii) the weighted average price of gas (Neutral Gas Price) in respect of that Gas Day, minus an adjustment;
- b) the marginal buy price is the higher of: i) the highest price of any purchases of title products in which the Transmission System Operator is involved in respect of the Gas Day; or ii) the weighted average price of gas (Neutral Gas Price) in respect of that Gas Day, plus an adjustment.

Market Participants are the relevant Shippers, Traders, Retailers, Transmission Network End Users and Biogas Injecting Parties.

Register of Market Participants is the register into which all Shippers, Traders, Retailers, Transmission Network End Users, Biogas Injecting Parties, LNG system operators, Distribution System Operators and Transmission System Operators must register.

Adjustment means the percentage by which the Neutral Gas Price is adjusted up or downwards.

Allocation is the quantity of gas allocated to a Shipper based on a Confirmed Nomination, to a Shipper or Trader based on an accepted Trade Notification or to a Shipper based on biogas measurement data for a Metering Site or Biogas Entry Point.

Allocation Procedure is the procedure concerning the Transmission and Distribution Networks used to allocate quantities of gas to Shippers.

LNG means liquefied natural gas.

LNG facility means a receiving station used for the liquefaction of natural gas or for the import, bunkering and gasification of liquefied natural gas, including ancillary services and temporary storage required for gasification and subsequent supply to the transmission network, but excluding storage parts.

LNG facility customer means a natural or legal person who enters into an agreement with the LNG operator for the gasification of LNG and with the shipper for the supply of natural gas to the Finnish gas system.

LNG system operator means a natural or legal person who liquefies natural gas or imports, discharges and gasifies liquefied natural gas and is responsible for the operation of a liquefied natural gas processing plant.

LNG entry point means the physical point at which gasified LNG is injected to the transmission system or to the distribution network connected to the transmission network from the LNG facility.

LNG virtual entry point means a virtual entry point, where natural gas gasified in the liquefied natural gas processing plant is injected commercially into the Finnish natural gas system. This includes LNG entry points connected to the transmission network and distribution networks, so that LNG entry points always have commercial access to the virtual trading point, either directly from the transmission network or from the city-gate (connection point between the transmission network and the distribution network).

Neutral Gas Price is the volume weighted average price of concluded trades on a gas exchange during the Gas Day where all concluded trades of day and within-day products are considered determining marginal sell and buy prices. If the weighted average price of the gas exchange cannot be determined, the Neutral Gas Price used shall be the daily price of the balancing service agreements subjected by the Transmission System Operator with System Responsibility to competitive bidding. The gas exchange where the Transmission System Operator trades to determine marginal prices is UAB GET Baltic.

Nomination is a Shipper's notification to the Transmission System Operator with System Responsibility of a planned quantity of natural gas that the Shipper intends to inject into or withdraw from the Gas System at a specific physical or virtual point.

Exit Point is a physical point at which the transmission of natural gas through the Transmission Network ends and where the Transmission System Operator with System Responsibility delivers the natural gas to a Shipper in accordance with a Capacity Agreement.

Exit Zone is a virtual point where shipper must book exit capacity products from the Transmission System Operator with System Responsibility for the transmission of gas from the virtual trading point to end users connected to the Finnish natural gas system.

Exceptional Situation means a situation where the Transmission System Operator with System Responsibility may, where there are reasonable grounds, use an Exceptional or Emergency Procedure defined in these Gas Transmission Rules. Such reasonable grounds may be, for example, a short-term disruption in the functioning of information systems resulting in prolonged processing times for Capacity Orders, a relatively large measurement error detected due to which an Extraordinary Correction will take place, or an Emergency.

Portal is the internet-based user interface of the Transmission System Operator with System Responsibility for the electronic services of the Transmission System Operator with System Responsibility that require users to log in and to enter into an Online Access Agreement with the Transmission System Operator with System Responsibility.

Framework Agreements mean Shipper Framework Agreements, Trader Framework Agreements, Transmission Network End User Framework Agreements, Biogas Injecting Party Framework Agreements and Retailer Framework Agreements concluded by the above-mentioned Participants with the Transmission System Operator with System Responsibility and under which the Participants undertake to comply with the market rules that apply to them and with other terms and conditions of the Transmission System Operator with System Responsibility applying to the Market Participant in question.

Daily Read Metering Site is a Metering Site which is settled between the Participants in accordance with the regulations for daily metered consumption.

Connection Point ('citygate') means the physical point in the natural gas network where natural gas is physically transported from the transmission system to the distribution network or from the distribution network to another

distribution network. In connection with the virtual biogas entry point and the LNG virtual entry point, the connection point also means the point between the transmission network and the distribution network, where natural gas is transferred commercially from the distribution network to the transmission network.

Renomination is a notification a Shipper can use to amend its previously Confirmed Nominations with effect for the entire Gas Day or the remaining hours of the Gas Day.

Renomination Cycle means the process carried out by the Transmission System Operator with System Responsibility in order to provide a Shipper with the message regarding the Confirmed Nominations following the receipt of a Renomination.

Shipper is a business that is registered in the Register of Market Participants and to which a System Operator transmits quantities of gas in the Transmission and Distribution Networks. Shipper complies with the definition in Government Decree 1008/2019 of a wholesale market party that procures or supplies natural gas on the wholesale market and reserves transmission network capacity.

Transmission Network End User is a business that consumes and supplies natural gas at Metering Sites connected to the Transmission Network. A Transmission Network End User may also act as a Shipper, Trader, Biogas Injecting Party, Retailer and/or Distribution Network End User.

Protected Customer means a household customer who is connected to a gas distribution network. Household customer means a customer who buys gas for its own usage.

Protected Metering Site means a Metering Site that belongs to a Protected Customer.

The Finnish Natural Gas System consists of the natural gas transmission network and the distribution networks connected to it. The natural gas system also includes all liquefied natural gas processing facilities connected to these networks, gas production facilities and gas storage facilities from renewable energy sources, and gas consumption sites.

Entry Point is a physical point at which a Shipper injects natural gas into the Transmission Network from an adjacent system or biogas or LNG into a Transmission or Distribution Network and from which transmission in the Finnish Gas System begins.

Neutrality Charge for Balancing means a charge amounting to the difference between the amounts received or receivable and the amounts paid or payable by the Transmission System Operator with System Responsibility due to performance of its balancing activities which is payable to or recoverable from the relevant Balance Responsible Parties.

Imbalance Charge means the amount of money the Balance Responsible Party pays or receives in respect of its daily imbalance quantity.

Balance Group means a group of Shippers and/or Traders that are connected to the same balance management portfolio for the purpose of aggregating entries and exits and clearing natural gas trading.

Balance Responsible Party means the wholesale market participant that maintains the balance of the Balance Group. Balance Responsible Party is balanced by the Transmission System Operator and it is responsible party for all rights and obligations under the balance responsibility of the Balance Group in question.

December 1, 2020

Delivery relationship means the delivery of natural gas in which the wholesale market participant delivers all the natural gas it needs; the delivery of natural gas in which the wholesale market participant balances its customers' difference (587/2017 as amended) of entries and exits delivering the deficit gas or receiving the excess gas the supply of other gas referred to in section 2 (2) to the wholesale market party reserving transmission capacity to the natural gas system.

Retailer with Delivery Obligation is a Retailer referred to in section 44 of the Natural Gas Market Act.

Competent Authority in Finland is the National Emergency Supply Agency, as appointed by the Ministry of Economic Affairs and Employment, in duties relating to the Security of Supply Regulation (2017/1938/EC).

Second Correction is a correction that takes place each April for all of the 12 delivery months of the preceding calendar year and that is based on the most recent set of corrected metering data provided after the First Correction.

Trader is a Market Participant that carries out wholesale trading in gas but does not enter into Capacity Agreements with the Transmission System Operator or trade in Capacity on the Secondary Market. A Participant acting as a Shipper automatically has the right to act at the same time as a Trader. A Participant acting as a Transmission Network End User, Retailer or Distribution Network End User may also act as a Trader if it meets the requirements set for acting as a Trader (see section 2.3).

Validated Data are consumption data the correctness of which has been validated by the System Operator for the purpose of Allocation.

Booking Procedure is a procedure whereby Capacity Orders are submitted to the Transmission System Operator with System Responsibility and Capacity Agreements are concluded on the Portal.

Counterparty may, depending on the context, be either 1) a Shipper in an adjacent system delivering natural gas to or receiving natural gas from a Shipper at an interconnection point or 2) another Shipper or Trader acting as a Shipper's or Trader's counterparty at the Virtual Trading Point or 3) LNG facility customer who delivers gasified natural gas to a Shipper at a virtual LNG entry point.

Supervisory Authority in the Finnish Natural Gas Market is the Energy Authority (Act on the Supervision of the Electricity and Natural Gas Markets (590/2013), Act on the Energy Authority (870/2013) and the Natural Gas Market Act (587/2017)).

Virtual Trading Point is a trading point maintained by the Transmission System Operator with System Responsibility where Gas Transfers can take place between Shippers and/or Traders.

Retailer is a business that supplies natural gas directly to End Users via a Distribution System Operator's Distribution Network.

Contact Person is any individual authorized by a Shipper to conclude Capacity Agreements and Capacity Transfers on behalf of the Shipper. As regards Trade Notifications, the Contact Person is a person authorized by a Shipper or Trader or a service provider who has been authorized by a Shipper or Trader to submit Trade Notifications on its behalf.

Receiving Participant is a Shipper or Trader that receives gas energy from a Transferring Participant.

Transferring Participant is a Shipper or Trader that transfers gas energy to a Receiving Participant.

2.2 Use of singular and plural forms

Unless otherwise indicated by the context, the terms defined in section 2.1 of the Gas Transmission Rules in the singular shall include the plural, and in the plural shall include the singular.

2.3 References to sections

Unless otherwise expressly specified, all references to sections are references to sections of the Gas Transmission Rules.

3 Conditions for acting as a Market Participant

3.1 Requirements

In order for Shippers, Traders, Retailers, Transmission Network End Users and Biogas Injecting Parties to participate in the Finnish Natural Gas System, they shall meet the following conditions:

	Conclude Framework Agreement	Obtain credit approval	Register in the Register of Market Participants	Information exchange test successfully passed if wishing to use electronic messaging	Register as Balance Responsible Party with the Transmission System Operator with System Responsibility	Notification of Balance Group membership approved by the Balance Responsible Party
Balance Responsible Shipper	x	x	x	x	x	
Balance Responsible Trader	x	x	x	x	x	
Shipper	x	x	x	x		x
Trader	x		x	x		x
Biogas Injecting Party	x		x			
Retailer	x		x			
Transmission Network End User	x		x			

4 Register of Market Participants

4.1 Registration obligation

The Transmission System Operator with System Responsibility shall administer and maintain the Register of Market Participants. In order to participate in the Finnish Gas Market, all Market Participants shall register in the Register of Market Participants. With the exception of the Transmission System Operator, the same Participant may register as a Market Participant also in multiple market roles.

A new Participant requesting registration as a Market Participant shall submit its Master Data to the Transmission System Operator with System Responsibility using the form available on the website of the Transmission System Operator with System Responsibility. When submitting its Master Data for the first time to the Register of Market Participants, a Shipper, Trader, Biogas Injecting Party, Retailer or Transmission Network End User shall submit the data no later than thirteen (13) Business Days before the first Gas Day on which the Master Data are to take effect.

After a Participant has registered its data for the first time in the Register of Market Participants, sent its valid extract from the Trade Register (or a corresponding foreign document if the enterprise is registered outside Finland) as well as its latest financial statements (if available) to the Transmission System Operator with System Responsibility and entered into a participant framework agreement with the Transmission System Operator with System Responsibility, data updates in the Register of Market Participants may take place on the Portal of the Transmission System Operator with System Responsibility [Gasgrid Portal, gasgridportal.fi]. Only in the event that the Portal is unavailable, communications shall be emailed to the email address commercial@gasgrid.fi provided by the Transmission System Operator with System Responsibility.

4.2 Market Participants' Master Data

The Register of Market Participants shall contain Master Data for each Market Participant. Master Data for the Transmission System Operator with System Responsibility and the Distribution System Operators shall be available to all Market Participants. No other data than business information are published concerning Market Participants to other Market Participants.

Master Data on Market Participants comprises:

- the Energy Identification Code (EIC) (compulsory for Shippers and Traders, voluntary for other market roles), the Global Location Number (GLN) (Distribution System Operator, Retailer) or other Participant identifier determined by the Transmission System Operator with System Responsibility (Transmission Network End User, Biogas Injecting Party)
- business information (name, address, Business ID, phone number, email address, website of the enterprise)
- contact details of the Market Participant's Contact Person responsible for contractual matters
- contact details of the Market Participant's Contact Person responsible for Nominations (if the Participant seeks to act as a Shipper)
- contact details of the Market Participant's Contact Person responsible for operational maintenance that is accessible 24/7 (such as control room) (if the Participant seeks to act as a Shipper)

- contact details of the Market Participant's Contact Person responsible for invoicing matters

All registered Market Participants shall be obliged to keep their Master Data up to date. Updates of Master Data shall be made on the Portal no later than three (3) Gas Days before they are to take effect in the Register of Market Participants.

4.3 Registration of Delivery Relationships of Retailer, Biogas Injecting Party, Transmission Network End User and Distribution System Operator

The Transmission System Operator with System Responsibility shall maintain information about the Delivery Relationships of Retailers, Biogas Injecting Parties, Transmission Network End Users and Distribution System Operators with Shippers. The information about Delivery Relationships is needed for gas market balance settlement. The Transmission System Operator with System Responsibility shall register the information about the Delivery Relationships of the Market Participants with Shippers on the basis of their market roles as follows:

- a) the Retailer's Consumer Portfolio where the Retailer in question must notify all of the Consumer Portfolio's Delivery Relationships with Shippers and connect all those Metering Sites concerning which the Retailer in question has a valid Sales Agreement. Each Retailer shall have one Customer Portfolio that covers the Metering Sites belonging to the Retailer in all Distribution Networks.
- b) The Distribution Network specific Residual Consumption Consumer Portfolio of a Retailer with Delivery Obligation for which the Retailer with Delivery Obligation shall notify its Delivery Relationship with one Shipper. All of the same Distribution Network's Non-Daily Read Metering Sites and Distribution Network losses belong to the Residual Consumption Consumer Portfolio. A Retailer with Delivery Obligation shall have one Residual Consumption Consumer Portfolio for each Distribution Network with Non-Daily Read Metering Sites where the Retailer in question acts as a Retailer with Delivery Obligation. If a Distribution Network only has Daily Read Metering Sites, the Participant responsible for the Residual Consumption Consumer Portfolio in that Distribution Network is the Distribution System Operator if it wishes to enter into a Delivery Relationship directly with a Shipper, or the Participant responsible for the Residual Consumption Consumer Portfolio is the Retailer with Delivery Obligation of the Distribution Network in question if the Distribution System Operator buys/sells loss gas from/to the Retailer with Delivery Obligation.
- c) A Biogas Injecting Party's Entry Points for which the Biogas Injecting Party must notify concerning all of its Delivery Relationships with Shippers and connect all Biogas Entry Points where the Biogas Injecting Party is responsible for biogas network injection.
- d) A Transmission Network End User's Metering Site(s) for which the Transmission Network End User shall notify its Delivery Relationship with the Shipper specifically for each Metering Site.

4.3.1 Status information for Consumer Portfolios, Residual Consumption Portfolios, Biogas Portfolios and Transmission Network End User Metering Sites

A Shipper may supply natural gas for a Retailer's Consumer Portfolio, Residual Consumption Consumer Portfolio, Transmission Network Metering Sites and from the Biogas Portfolio only when the status information for the Retailer's

December 1, 2020

Consumer Portfolio, Transmission Network Metering Site or Biogas Portfolio is 'Active' in the Register of Market Participants.

The status of a Retailer's Consumer Portfolio in the Register of Market Participants may be one of the following:

- a) Allocated – when the Retailer has concluded a Retailer Framework Agreement, the Consumer Portfolio is registered in the Register of Market Participants and connected to the Retailer, provided that there are no Metering Sites or Delivery Relationships relating to Shippers connected to the Consumer Portfolio;
- b) Approved – when the Consumer Portfolio meets the following requirements: information about a Delivery Relationship with at least one Shipper has been registered; or
- c) Active – when the Retailer has, in addition to the above stages, submitted a notification of a new Sales Agreement and has been registered in the Register of Metering Sites as a Retailer for at least one Metering Site, whereby the Consumer Portfolio will become Active.

The status of a Residual Consumption Consumer Portfolio of a Retailer with Delivery Obligation in the Register of Market Participants may be one of the following:

- a) Allocated – the Transmission System Operator with System Responsibility maintains the information about the Retailer with Delivery Obligation for each Distribution Network. When the Distribution Network's Retailer with Delivery Obligation has concluded the Retailer Framework Agreement, the Residual Consumption Consumer Portfolio for that Distribution Network is registered for the Retailer with Delivery Obligation in question in the Register of Market Participants.
- b) Approved – when the Residual Consumption Consumer Portfolio meets the following requirements: information about a Delivery Relationship with a Shipper has been registered; or
- c) Active – when the Retailer with Delivery Obligation has, in addition to the above stages, notified the Transmission System Operator with System Responsibility of the date on which the Residual Consumption Consumer Portfolio will be active (the first Gas Day on which gas will be delivered to the Metering Site(s)). The Non-Daily Read Metering Sites and Distribution Network losses of the Distribution Network in question belong automatically to the Residual Consumption Consumer Portfolio of the Retailer with Delivery Obligation.

The status of a Distribution System Operator's Residual Consumption Consumer Portfolio in the Register of Market Participants may be one of the following:

- a) Allocated – If the Distribution Network only has Daily Read Metering Sites, the Transmission System Operator with System Responsibility registers, on the request of the Distribution System Operator in question, a Residual Consumption Consumer Portfolio for the Distribution System Operator in question in the Register of Market Participants;
- b) Approved – when the Residual Consumption Consumer Portfolio meets the following requirements: information about a Delivery Relationship with a Shipper has been registered; or
- c) Active – when the Distribution System Operator has, in addition to the above stages, notified the Transmission System Operator with System Responsibility of the date on which the Residual Consumption Consumer Portfolio becomes active (the first Gas Day on which gas will be delivered into the Distribution Network following the date on which the Distribution System Operator assumes responsibility for the Residual Consumption Consumer Portfolio for the Distribution Network in question). Losses of the Distribution Network in question belong to the Distribution System Operator's Residual Consumption Consumer Portfolio.

The status of a Transmission Network End User's Metering Site in the Register of Market Participants may be one of the following:

- a) Allocated – when the Transmission Network End User has entered into a Connection Agreement concerning its Metering Site;
- b) Approved – when a Delivery Relationship between the Transmission Network End User's Metering Site and a Shipper has been registered; or
- c) Active – when the Transmission Network End User has notified the Transmission System Operator with System Responsibility of the date on which the Transmission Network End User's Metering Site will be active (the first Gas Day on which gas will be delivered to the Metering Site(s)).

A Biogas Injecting Party may have one Biogas Portfolio that contains the Biogas Injecting Party's Biogas Entry Points connected to Transmission and Distribution Networks. The status of a Biogas Injecting Party's Biogas Portfolio in the Register of Market Participants may be one of the following:

- a) Allocated – when the Biogas Portfolio was created in the Register of Market Participants after the Biogas Injecting Party concluded a Framework Agreement with the Transmission System Operator with System Responsibility and no Delivery Relationships or Biogas Entry Points are yet registered in the Biogas Portfolio;
- b) Approved – when a Delivery Relationship between the Biogas Injecting Party and a Shipper has been registered; or
- c) Active – when the Biogas Injecting Party has notified its System Operator and the Transmission System Operator with System Responsibility (if it is not the System Operator) of the date from which the Biogas Portfolio will be active and at least one Biogas Entry Point has been connected to the Biogas Portfolio.

4.4 Notification of Delivery Relationships

4.4.1 General

Delivery Relationships may be established between:

- i. a Shipper and a Retailer's Consumer Portfolio;
- ii. a Shipper and a Residual Consumption Consumer Portfolio of a Retailer with Delivery Obligation;
- iii. a Shipper and a Distribution System Operator's Residual Consumption Consumer Portfolio,
- iv. a Shipper and a Transmission Network End User's Metering Site; and
- v. a Shipper and a Biogas Injecting Party's Biogas Portfolio.

Only one Shipper can deliver gas to one Metering Site. A Shipper may only act as a Shipper for a Retailer's Consumer Portfolio, a Residual Consumption Consumer Portfolio, a Transmission Network End User's Metering Site or a Biogas Injecting Party's Biogas Portfolio once the Delivery Relationship has been registered in the Registry of Market Participants. The condition for the establishment of a Delivery Relationship is that the Transmission System Operator with System Responsibility has received a notification of the relationship from both the Shipper and the other Participant to the Delivery Relationship (Retailer, Retailer with Delivery Obligation, Distribution System Operator, Transmission Network End User or Biogas Injecting Party). The Transmission System Operator with System

December 1, 2020

Responsibility shall file the information it has received and approved under that Balance Group in which the Shipper is a Balance Responsible Party or a Balance Group member.

A Retailer, Retailer with Delivery Obligation, Distribution System Operator, Transmission Network End User and Biogas Injecting Party may also act as a Shipper for itself if it meets the requirements set for acting as a Shipper (see section 2.3). Also, such Delivery Relationships where a Participant acts as a Shipper for itself shall be notified to the Transmission System Operator with System Responsibility.

A Retailer shall, in conjunction with a new Sales Agreement, notify to the Transmission System Operator with System Responsibility the Shipper for the Metering Site that is responsible of the supply of gas in the Retailer's Consumer Portfolio to the Distribution Network Metering Site in question. The Retailer may only notify as a Shipper for a Metering Site such a Shipper that has a Delivery Relationship to that Retailer's Consumer Portfolio registered in the Register of Market Participants. If a Retailer wishes to change the Shipper for a Metering Site contained in its Consumer Portfolio, the Retailer may update the Metering Site's Shipper information on the Portal of the Transmission System Operator with System Responsibility no later than three (3) Gas Days before the first Gas Day on which the Metering Site's new Shipper information will be effective.

A Residual Consumption Portfolio of a Retailer with Delivery Obligation and a Distribution System Operator may only have one Shipper, which is determined on the basis of the notified Delivery Relationship. A Retailer with Delivery Obligation or a Distribution System Operator may also act as a Residual Consumption Consumer Portfolio Shipper for itself if it meets the requirements set for acting as a Shipper and has registered as a Shipper (see section 3.1).

There may be one Shipper for each of the Biogas Entry Points in a Biogas Portfolio of a Biogas Injecting Party. Therefore, there may at the maximum be the same number of Shippers as there are Entry Points in the same Biogas Portfolio. A Biogas Injecting Party shall notify the Transmission System Operator with System Responsibility via the Portal which of the Entry Points belonging to a Biogas Portfolio belong to which Shipper at least three (3) Gas Days before the first Gas Day on which the Shipper information for the Biogas Entry Point will be effective.

4.4.2 New Delivery Relationships

A Shipper's new Market Participant shall notify the information concerning the new Delivery Relationship on the Portal of the Transmission System Operator with System Responsibility. The Shipper shall submit a notification of approval for the Delivery Relationship. The notifications shall be submitted at least three (3) Gas Days before the first Gas Day on which the Delivery Relationship is to apply. If the Transmission System Operator with System Responsibility has received the notifications by the above-mentioned deadline, the information about the Delivery Relationship shall be registered in the Register of Market Participants. The Transmission System Operator with System Responsibility shall notify the Participants about the registration of a new Delivery Relationship.

If the Transmission System Operator with System Responsibility rejects the creation of a new Delivery Relationship in a situation where the Retailer, Retailer with Delivery Obligation, Distribution System Operator, Transmission Network End User or Biogas Injecting Party creates a new Delivery Relationship simultaneously with the termination of a previous Delivery Relationship (notified as terminating by the Retailer, Retailer with Delivery Obligation, Distribution System Operator, Transmission Network End User or Biogas Injecting Party itself) and that is the only Delivery Relationship for the Portfolio or Metering Site in question, the Transmission System Operator with System Responsibility shall disregard the termination of the previous Delivery Relationship and the previous Delivery Relationship shall be maintained.

4.4.3 Termination of existing Delivery Relationships

The Participants shall give notification of termination of an existing Delivery Relationship no later than three (3) Gas Days before the first Gas Day on which the termination of the Delivery Relationship is to take effect. Notification shall be made on the Portal of the Transmission System Operator with System Responsibility.

If a Participant gives notification to the Transmission System Operator with System Responsibility of the termination of a Delivery Relationship by the above-mentioned deadline, the Transmission System Operator with System Responsibility shall register the termination of the Delivery Relationship no later than at 16:00 UTC (daylight saving time) or 15:00 UTC (summer time) on the Gas Day before the Gas Day on which the termination of the Delivery Relationship is to take effect. The termination of the Delivery Relationship shall not, however, take effect until the start of the Gas Day. The Transmission System Operator with System Responsibility shall notify the other Participant of the terminating Delivery Relationship of the Participant in question of the termination of the Delivery Relationship.

If the terminating Delivery Relationship has been the only one for the Retailer's Consumer Portfolio in question or the Residual Consumption Consumer Portfolio of a Retailer with Delivery Responsibility, and the Transmission System Operator with System Responsibility has not received notification to the effect that a new Shipper is to commence transmission to the Retailer's Consumer Portfolio or the Residual Consumption Consumer Portfolio of the Retailer with Delivery Obligation from the date on which the existing Shipper stops delivering gas to the Consumer Portfolio or Residual Consumption Consumer Portfolio, the Transmission System Operator with System Responsibility shall give the Retailer or the Retailer with Delivery Obligation a time limit of two (2) Gas Days to ensure the proper registration of the new Delivery Relationship for the Retailer's Consumer Portfolio or the Residual Consumption Consumer Portfolio.

The Transmission System Operator with System Responsibility is responsible for the transmission of gas to a Retailer's Consumer Portfolios and Residual Consumption Consumer Portfolios of a Retailer with Delivery Obligation if no Delivery Relationship with a Shipper has been registered for these until the above-mentioned time limit of two (2) Gas Days expires.

If the terminating Delivery Relationship has been the only one for the Distribution System Operator's Residual Consumption Consumer Portfolio, and the Transmission System Operator with System Responsibility has not received notification to the effect that a new Shipper is to commence transmission to the Distribution System Operator's Residual Consumption Consumer Portfolio or that the Residual Consumption Consumer Portfolio will be transferred under the responsibility of a Retailer with Delivery Obligation from the date on which the existing Shipper stops delivering gas to this Consumer Portfolio, the Transmission System Operator with System Responsibility shall give the Distribution System Operator a time limit of two (2) Gas Days to ensure the proper registration of the new Delivery Relationship or transfer of responsibility for the Residual Consumption Consumer Portfolio. The Transmission System Operator with System Responsibility shall be responsible for the transmission of gas for the Distribution System Operator's Residual Consumption Consumer Portfolio if there is no registered Delivery Relationship with a Shipper for it.

The Transmission System Operator with System Responsibility shall charge the Retailer or Distribution System Operator the price of adjusted neutral gas and the price of capacity overrun charge for any gas delivered to the Retailer's Metering Sites or Distribution System Operator's Residual Consumption Consumer Portfolio for which there is no registered Shipper.

If no Delivery Relationship for a new Shipper is notified for a Retailer's Consumer Portfolio or a Residual Consumption Consumer Portfolio of a Retailer with Delivery Obligation within the above-mentioned time limit, the Transmission

System Operator with System Responsibility shall notify the Distribution System Operators of the Retailer in question that the current Retailer no longer meets the requirements set for Retailers and specify the date on which the current Retailer will stop deliveries to the Metering Sites in question.

If a Delivery Relationship between a Shipper and a Transmission Network End User's Metering Site is terminated without the establishment of a new Delivery Relationship for the Metering Site of the End User in question, delivery to the Transmission Network End User's Metering Site from the Transmission Network shall discontinue. In such a case, the Transmission Network System Operator with System Responsibility shall contact the Transmission Network End User in question and inform the End User of the discontinuation of delivery. The Transmission System Operator with System Responsibility is responsible for the transmission of gas to a Transmission Network End User if there is no Delivery Relationship with a Shipper registered for it until the discontinuation of delivery from the Transmission Network. The Transmission System Operator with System Responsibility shall charge the Transmission Network End User the price of adjusted neutral gas and the price of capacity overrun charge for any gas delivered to the Transmission Network End User's Metering Sites for which there is no registered Shipper.

If the terminating Delivery Relationship has been the only one for the Biogas Portfolio in question and the Transmission System Operator with System Responsibility has not received notification to the effect that a new Shipper is to commence delivery from the Biogas Injecting Party's Biogas Portfolio from the Gas Date on which the existing Shipper stops delivering gas from the Biogas Portfolio, the Transmission System Operator with System Responsibility shall provide the Biogas Injecting Party with two (2) Gas Days for the proper registration of the new Delivery Relationship for the Biogas Injecting Party's Biogas Portfolio. After that, the Transmission System Operator with System Responsibility shall discontinue the reception of biogas for the Transmission Network and notify the Biogas Injecting Party of the discontinuation of delivery. The Transmission System Operator with System Responsibility shall not compensate the Biogas Injecting Party for any gas received by it for which there has not been a valid Shipper. If a Biogas Portfolio has Biogas Entry Points connected to the Distribution Network, the Transmission System Operator with System Responsibility shall ask the Distribution System Operator to discontinue the injection of biogas into the Distribution Network and the Distribution System Operator shall notify the Biogas Injecting Party of the discontinuation of delivery.

5 Capacity allocation principles

5.1 General

Capacity shall be allocated to Shippers by way of the first-come, first-served (FCFS) procedure for the Imatra Entry Point, Biogas Virtual Entry Point, LNG Virtual Entry Point and Exit Zone. Allocation of Capacity for the Balticconnector Entry and Exit Points shall be implicit.

5.2 First-come, first-served (FCFS) procedure

A Shipper shall have registered one or more Contact Persons on the Portal of the Transmission System Operator with System Responsibility if the Shipper wants to use the Booking Procedure to submit Capacity Orders and conclude Capacity Agreements according to the first-come, first-served (FCFS) procedure on the Portal.

Capacity Orders shall be processed under the FCFS procedure immediately after they have been received by the Transmission System Operator with System Responsibility in the order of the received time stamp (those received first shall be processed first). Capacity Orders received under the FCFS procedure shall have priority over Capacity Orders submitted using the Manual Procedure which may have been received earlier but not yet processed by the Transmission System Operator with System Responsibility.

In the Manual Procedure, Capacity Orders received by letter shall be processed after Capacity Orders received by email and after Capacity Orders approved in accordance with the FCFS procedure.

5.2.1 Capacity Periods

The Transmission System Operator with System Responsibility shall offer Capacity for the following Capacity Periods:

Imatra Entry Point:

- a) one (1) year (12 consecutive Gas Months) commencing on October 1 (Annual Capacity),
- b) one quarter (3 consecutive Gas Months) commencing on the first Gas Day of a quarter (Quarterly Capacity) at 5:00 UTC (daylight saving time) or 4:00 UTC (summer time) on January 1, April 1, July 1 or October 1,
- c) one (1) or more consecutive Gas Months commencing on the first Gas Day of a calendar month (a calendar month may vary from 28 to 31 days depending on the length of the actual month),
- d) one (1) Gas Day or up to six (6) consecutive Gas Days (Daily Capacity) and
- e) from one (1) hour up to 24 consecutive hours within a particular Gas Day (Within-Day Capacity).

Biogas Virtual Entry Point, LNG Virtual Entry Point and Exit Zone:

- a) one (1) year (12 consecutive Gas Months) commencing on October 1 (Annual Capacity),

December 1, 2020

- b) one quarter (3 consecutive Gas Months) commencing on the first Gas Day of a quarter (Quarterly Capacity) at 5:00 UTC (daylight saving time) or 4:00 UTC (summer time) on January 1, April 1, July 1 or October 1,
- c) one (1) or more consecutive Gas Months commencing on the first Gas Day of a calendar month (a calendar month may vary from 28 to 31 days depending on the length of the actual month) or one (1) or more consecutive months calculated in multiples of 30 days. This calculation method shall be used if the month ordered commences on any other day than the first day of the calendar month (Monthly Capacity).
- d) one (1) Gas Day or up to six (6) consecutive Gas Days (Daily Capacity) and
- e) from one (1) hour up to 24 consecutive hours within a particular Gas Day (Within-Day Capacity).

However, by way of derogation from point (e), the Transmission System Operator with System Responsibility shall not be obliged to offer within-day capacity products at the LNG virtual entry point if the LNG system operator does not offer similar within-day capacity products to its customers.

The Shipper shall have the right to order Capacity only for one (1) consecutive Capacity Period for each Capacity Order. A Capacity Order may comprise a maximum of two (2) consecutive Monthly Capacities.

On the basis of the period determined by the Shipper in the Capacity Order, the Transmission System Operator with System Responsibility shall calculate the optimum composition of Capacity products for the Shipper with respect to price (Annual, Quarterly, Monthly and Daily Capacity products which together form the Capacity Period in accordance with the Capacity Order).

5.2.2 Types of Capacity

The Transmission System Operator with System Responsibility shall offer in the Finnish Gas System freely allocable Capacity Agreements that provide access to the Virtual Trading Point from any Entry or Exit Point without limitations.

Interruptible freely allocable Capacity shall only be offered if there is not enough firm Capacity available or there is no physical firm Capacity for a specific Entry or Exit Point. In such situations, Shippers shall be offered interruptible Capacity instead of firm Capacity.

The distribution between firm and interruptible Capacity shall depend on the amount of Capacity available. This means that Capacity Orders which cannot be met fully with firm Capacity may result in a Capacity Agreement containing:

- a) firm Capacity in periods where this is available and
- b) interruptible Capacity in periods where the amount of firm Capacity available is zero or less than the amount of Capacity ordered by the Shipper.

Interruptible Capacity expresses the expectations of the Transmission System Operator with System Responsibility as regards the probability of interruptible Capacity being available at a given Entry and/or Exit Point (i.e. the price reflects the probability for interruption). Information about the expected Capacity limits at a given Entry or Exit Point at any time in respect of firm and interruptible Capacity shall be available on the UMM Platform of GET Baltic.

5.2.3 Submission of Capacity Orders

On a Contact Person's dispatch of the Shipper's Capacity Order via the Portal, a non-binding offer for the Capacity Order shall be generated for the Shipper by the Portal. The Shipper shall be informed of the following in the offer:

December 1, 2020

- a) the types of Capacity available to meet the Shipper's Capacity Order,
- b) whether the Shipper's creditworthiness is sufficient to conclude the Capacity Order for the Capacity required and
- c) the charges payable for the Capacity Order.

If the Capacity required is not available as firm Capacity, the Transmission System Operator with SYSTEM Responsibility may offer the possible distribution between the firm Capacity and the interruptible Capacity available. After that, the Shipper may either a) reject the offer and submit a new Capacity Order or b) accept the offer. Consequently, an offer accepted by the Shipper shall be regarded as binding as soon as it has been accepted by the Shipper's Contact Person.

5.2.4 Deadlines

Capacity Orders shall be made in accordance with the following deadlines:

Imatra Entry Point, Exit Zone, LNG Virtual Entry Point and Biogas Virtual Entry Point:

- a) Annual, Quarterly and Monthly Capacities or Capacity Periods of another duration calculated as multiples of months received by 16:00 UTC (daylight saving time) or by 15:00 UTC (summer time) on the Gas Day preceding the commencement of the Capacity Period or up to three (3) months prior to the commencement of the Capacity Period;
- b) Daily Capacities for up to six (6) consecutive Gas Days received no later than by 16:00 UTC (daylight saving time) or by 15:00 UTC (summer time) on the Gas Day preceding the commencement of the Capacity Period or up to five (5) Gas Days prior to the commencement of the Capacity Period;
- c) Within-Day Capacities for up to twenty-four (24) consecutive hours submitted or received no earlier than by 16:00 UTC (daylight saving time) or by 15:00 UTC (summer time) on the Gas Day preceding the commencement of the Capacity Period and no later than by 2:00 UTC (daylight saving time) or by 1:00 UTC (summer time) on the Gas Day during which the Capacity Period commences. There shall be a lead time of two (2) full hours before the commencement of a Capacity Period – for example, a Capacity Order received at 20:30 UTC (daylight saving time) on a Gas Day shall only be effective for the remaining hours of the Gas Day between 23:00 and 5:00 (daylight saving time).

The Transmission System Operator with System Responsibility reserves the right, in Exceptional Situations, to extend the time for the processing of Capacity Orders on the Portal and the time for the processing of those Capacity Orders not replied to by the Transmission System Operator with System Responsibility in accordance with the FCFS procedure. In such cases, the Transmission System Operator with System Responsibility shall inform the Shippers of this as soon as possible by email sent to the addresses of the Contact Persons provided by the Shipper.

The Transmission System Operator with System Responsibility shall respond to a Shipper's Capacity Order within one (1) hour of receipt of the Capacity Order. If a Shipper does not receive a reply in relation to a Capacity Order within one (1) hour from its submission (and the Transmission System Operator with System Responsibility has not declared an extension of the time limit for processing Capacity Orders by referring to an Exceptional Situation, see above), the FCFS procedure shall be considered not to be in force and the Shipper shall use the alternative procedure determined in section 5.2.5. If the Shipper considers the FCFS procedure not to be in force, the Shipper shall inform the Transmission System Operator with System Responsibility of this without undue delay.

5.2.5 Conclusion of Capacity Agreements

If a Capacity Order is accepted by the Transmission System Operator with System Responsibility, the final and binding Capacity Agreement shall be available on the Portal.

If the Shipper has several Capacity Agreements for the same Entry Point, Exit Point, Biogas Virtual Entry Point, LNG Virtual Entry Point and the Exit Zone, the Shipper may pool the Capacities under these Capacity Agreements to the extent that such Capacity Periods overlap.

5.3 Manual Procedure

The Manual Procedure shall be used as the alternative procedure for Capacity Orders for the Imatra Entry Point, Exit Zone, LNG Virtual Entry Point and Biogas Virtual Entry Point if the 'First-Come-First-Served' (FCFS) procedure is not available.

5.3.1 Submission of Capacity Orders

Under the Manual Procedure, Shippers shall submit a Capacity Order by completing and signing the Capacity Order Form of the Transmission System Operator with System Responsibility and submitting the Capacity Order Form by email to the email address provided by the Transmission System Operator with System Responsibility, or by letter to the Transmission System Operator with System Responsibility, and notify the Transmission System Operator with System Responsibility of the submission by telephone.

All the required fields of the Capacity Order form shall be filled in and the Shipper's Contact Person shall sign the form. All Capacity Orders placed by the Shipper's Contact Person(s) shall be binding from the time when the Transmission System Operator with System Responsibility receives such orders.

Capacity Orders shall be processed in the order in which they are received. The Transmission System Operator with System Responsibility shall have the right to process any Capacity Orders received by letter after any Capacity Orders received by email on the same Business Day. This shall apply irrespective of whether a Capacity Order sent by letter is received by the Transmission System Operator with System Responsibility before a Capacity Order sent by email on the relevant Business Day.

5.3.2 Deadlines

A Capacity Order received on a Business Day by 12:00 UTC (daylight saving time) or by 11:00 UTC (summer time) shall be processed no later than by 14:00 UTC (daylight saving time) or by 13:00 UTC (summer time) two (2) Business Days later. If the Capacity Order is received on a day that is not a Business Day or the Capacity Order is received during a Business Day after 12:00 UTC (daylight saving time) or after 11:00 UTC (summer time), it shall be considered as having been received on the following Business Day.

The Transmission System Operator with System Responsibility shall be in receipt of the Capacity Order no later than four (4) Business Days prior to the commencement of the first Gas Day in the Capacity Period to which the Capacity Order relates.

The Transmission System Operator with System Responsibility reserves the right to extend the time for processing Capacity Orders and amend any time limits set out in section 5.2.5 in Exceptional Situations as authorized by the

Supervisory Authority. In such cases, the Shippers shall be informed of the situation at the email addresses notified as the Shipper's Contact Persons.

5.3.3 Conclusion of Capacity Agreements by way of Manual Procedure

Capacity Orders received no later than four (4) Business Days prior to the commencement of the Capacity Period shall be concluded by the Transmission System Operator with System Responsibility by sending a Capacity Agreement to the Shipper. The Transmission System Operator with System Responsibility shall conclude the Capacity Agreement by using the Portal on behalf of the Shipper. Capacity Orders received less than four (4) Business Days prior to the commencement of the Capacity Period shall not be met.

A Capacity Order not relating to the same Capacity in a consecutive Capacity Period shall be treated as two or more Capacity Orders.

On the basis of the capacity situation and current Capacity Agreements, the Transmission System Operator with System Responsibility shall determine whether the Capacity is available. The Shipper shall specify in its Capacity Order whether or not the Shipper wants to receive interruptible Capacity if sufficient firm Capacity is not available to meet the Capacity Order.

No later than two (2) Business Days after receipt of a Capacity Order, the Transmission System Operator with System Responsibility shall submit either:

- a) a Capacity Agreement for the firm Capacity ordered;
- b) a Capacity Agreement for less firm Capacity than ordered;
- c) a Capacity Agreement for less firm Capacity than ordered and interruptible Capacity; or
- d) a refusal of Capacity Order, including the reason(s) for the refusal.

If the Capacity Agreement is completed and the Capacity Periods overlap, the Shipper may pool the Capacity agreed upon for the Entry Points, Biogas Virtual Entry Point, LNG Virtual Entry Point, Exit Points or Exit Zone, respectively, with the Shipper's other Capacities for the same Entry Point, Biogas Virtual Entry Point, LNG Virtual Entry Point, Exit Point and Exit Zone.

5.4 Increasing the offering of Daily Capacity at Imatra Entry Point

The Transmission System Operator with System Responsibility may initiate at its own or at Shippers' initiative a procedure to offer further firm daily capacity for the Imatra Entry Point. A Shipper's initiative concerning the offering of further Capacity shall be submitted to the Transmission System Operator with System Responsibility by email during the Business Day preceding the Gas Day by 8:00 UTC (daylight saving time) and 7:00 UTC (summer time).

Having received a Shipper's initiative concerning the offering of further capacity at the Imatra Entry Point, the Transmission System Operator with System Responsibility notifies all Shippers of the opportunity to offer Capacity transfers for the Imatra Entry Point to increase the offering of firm Daily Capacity through the secondary market.

5.5 Lack of available long-term firm Capacity (UIOLI) at Imatra Entry Point

Based on a decision of the supervisory authority, the Transmission System Operator with System Responsibility shall be obliged to withdraw, partially or fully, from any underutilized contracted Capacity pursuant to a Capacity Agreement with a duration exceeding one (1) year at an Entry Point and Exit Point where the Shipper has not sold or offered on

reasonable conditions its unused Capacity and where other Shippers have requested firm Capacity. Contracted Capacity shall be considered systematically underutilized in particular if the Shipper uses less than an average of 80% of its contracted Capacity both from April 1 to September 30 and from October 1 to March 31, for which no proper justification could be provided.

The Transmission System Operator with System Responsibility shall regularly provide the Supervisory Authority with all the data necessary to monitor the extent to which contracted Capacities with effective contract duration of more than one year or recurring quarters covering at least two years are used.

5.5.1 Recommendation of Transmission System Operator with System Responsibility to trade in the secondary market

If a Shipper (Capacity-requesting Shipper) contacts the Transmission System Operator with System Responsibility and establishes that it has not been able to obtain Capacity on reasonable conditions from the primary or secondary market, the Transmission System Operator with System Responsibility shall notify all of the Shippers of the existence of a potential UIOLI situation. The Transmission System Operator with System Responsibility shall send a notification to all of the Shippers providing information about:

- a) the Capacity requested by the Capacity-requesting Shipper;
- b) the period in which the Capacity-requesting Shipper has advertised in vain for the requested Capacity and the price offered for the requested Capacity; and
- c) the fact that all of the Shippers possessing surplus Capacity which can be used by the Capacity-requesting Shipper may offer such Capacity to the Capacity-requesting Shipper via the Capacity Transfer Procedure within ten (10) Business Days.

5.5.2 Analysis by the Transmission System Operator with System Responsibility of the Shippers' requirements

If the Capacity-requesting Shipper has not obtained the necessary Capacity from one or more of the other Shippers within fifteen (15) Business Days after notification has been made in accordance with section 0, the Transmission System Operator with System Responsibility shall contact the other Shippers and request that they report their actual Capacity requirement in the Capacity Period(s) and at the relevant point or zone for which the Capacity-requesting Shipper has requested Capacity. In this situation, the other Shippers shall attach a copy of any quotations made to the Capacity-requesting Shipper.

The other Shippers shall provide the requested information no later than ten (10) Business Days after the receipt of the above-mentioned request. If the information requested is not received within this time limit, the Transmission System Operator with System Responsibility shall assess the Capacity requirement of the Shipper in question based on the Shipper's average actual transmitted quantities of gas over the past 12 months.

5.5.3 Compulsory Capacity Transfer

If one or more of the other Shippers cannot document an actual requirement for all or some of their Capacity, the Transmission System Operator with System Responsibility shall initiate a compulsory Capacity Transfer in accordance with this section.

December 1, 2020

The Transmission System Operator with System Responsibility may, in an above-mentioned situation, initiate a compulsory Capacity Transfer if:

- a) the Shipper in question has not offered any surplus Capacity to the Capacity-requesting Shipper; or
- b) the price quoted for the Capacity Transfer exceeds the price quoted by the Transmission System Operator with System Responsibility and is deemed unreasonable.

A price shall be deemed unreasonable if it exceeds the price which the Shipper that offered its Capacity for transfer could reasonably fix on the basis of opportunity cost considerations. Opportunity cost considerations mean considerations in terms of the Shipper's risk of incurring costs in case of lack of fulfilment of obligations assumed in relation to the transfer of Capacity to the Capacity-requesting Shipper.

In its assessment as to whether other Shippers have an actual requirement for the Capacity acquired, the Transmission System Operator with System Responsibility shall, among other things, take the following into consideration:

- a) the other Shippers' Capacity requirement for their Retailers and Distribution Network End Users; and
- b) the other Retailers' requirement for Capacity to/from the adjacent systems.

If the Transmission System Operator with System Responsibility finds that one of the other Shippers (Transferring Shipper) has not documented an actual requirement for the Capacity according to the criteria listed above, the Transmission System Operator with System Responsibility shall be obliged to initiate a compulsory Capacity Transfer to the Transmission System Operator with System Responsibility for the purpose of reselling such Capacity to the Capacity-requesting Shipper on the following conditions:

- a) the transfer covers the reserved Capacity which, according to the analysis undertaken in accordance with section a) is considered to be surplus Capacity to the Transferring Shipper;
- b) payment for the transfer is affected by the Transmission System Operator with System Responsibility reimbursing the transferred Capacity to the Transferring Shipper at the price listed in the Price List for Annual or Monthly Capacity as determined by the Transmission System Operator with System Responsibility; and
- c) the Capacity-requesting Shipper is obliged to purchase the Capacity from the Transmission System Operator with System Responsibility as Monthly or Annual Capacity at the price determined by the Transmission System Operator with System Responsibility.

5.6 Implicit Allocation of Capacity for the Balticconnector Entry and Exit Points

The Transmission System Operator with System Responsibility shall allocate Balticconnector Capacity to Shippers implicitly based on the latest Confirmed Nominations of the Shippers in question. If a Shipper's Confirmed Nomination changes, the amount of Capacity allocated implicitly shall change accordingly. The acceptance process for Balticconnector Nominations is described in section 7.

The Transmission System Operator with System Responsibility shall maintain information valid at any given time concerning the Balticconnector's technical and available Capacity on its website via which Shippers receive information about any congestion.

6 Capacity Transfers

6.1 Capacity Transfers

Capacity Transfers during one or more Gas Days can take place from a Shipper (Transferring Shipper) to another (Receiving Shipper) via the Online Capacity Transfer System maintained by the Transmission System Operator with System Responsibility on its Portal or on the capacity rights transfer platform provided by third party. Shipper is responsible for the capacity rights transfers, regardless of whether the third party submits capacity rights transfer notifications on his behalf.

6.2 Capacity Transfer procedure

When Shippers wish to carry out Capacity Transfers to one another, the three procedures presented below may be used.

A Capacity Transfer may take place using the Portal of the Transmission System Operator with System Responsibility or the capacity rights transfer platform provided by third party.

In order to provide the secondary capacity transfer marketplace, the service provider shall agree on the exchange of information with the Transmission System Operator with System Responsibility at least six months before the start of operations for arranging data exchange. Shipper shall authorize the service provider to submit the necessary capacity transfer notification to the Transmission System Operator with System Responsibility.

A description of the detailed terms and conditions of Capacity Transfers taking place via the Portal is provided section 0, in the Terms and Conditions of Portal Access and in the Portal User Instructions. In case of any differences between the Gas Transmission Rules and the Terms and Conditions of Portal Access, the contents of the Gas Transmission Rules shall be regarded as correct.

The Manual Procedure for Capacity Transfers may be applied as the procedure if the Online Transfer Procedure is not available, see section 6.4.4. In the Manual Procedure for Capacity Transfers, the Capacity Transfer shall be carried out by the Transferring Shipper, which shall send the Capacity Transfer Request to the Transmission System Operator with System Responsibility by email.

6.3 Conditions for Capacity Transfers

Prior to sending a Capacity Transfer Request in accordance with section 0 or 6.4.4:

- a) the Transferring Shipper shall be required to:
 - i) have concluded the Shipper Framework Agreement with the Transmission System Operator with System Responsibility and
 - ii) have the same or larger quantity of Capacity available¹ for the Capacity Period to which the Capacity Transfer pertains as that Capacity the rights to which the Shipper wishes to transfer during the period in question; and

¹ The Transmission System Operator with System Responsibility shall also check the Shipper's Confirmed Nominations restricting available Capacity.

- b) the Receiving Shipper shall be required to:
- i) have concluded the Shipper Framework Agreement with the Transmission System Operator with System Responsibility and
 - ii) have sufficient creditworthiness determined by the Transmission System Operator with System Responsibility.

If Shippers act as the Transferring as well as Receiving Shipper in relation to each other during the same contractual period, the conditions specified in sections a) and b) apply to both Shippers.

If the conditions presented above are not fulfilled, the Capacity Transfer Request shall be rejected. In addition, a Capacity Transfer Request may be rejected if the Capacity Transfer Request does not contain all the necessary information (see section 6.4).

The Transmission System Operator with System Responsibility shall always provide the grounds for any rejection of a Capacity Transfer Request.

Regardless of whether or not the Capacity Transfer takes place, the Transferring Shipper shall remain liable for its fixed Capacity-related payments in the Transmission Network.

The Receiving Shipper shall be liable to the Transmission System Operator with System Responsibility for Capacity-related commodity charges and for all other payments, charges and liabilities relating to the Capacities it has obtained.

6.4 Capacity Transfer Procedure on the Portal

Carrying out Capacity Transfers on the Portal of the Transmission System Operator with System Responsibility shall require that the Shipper has notified one or more Contact Persons responsible for Capacity Agreements for the Portal.

Once the Transmission System Operator with System Responsibility has received a correctly filled and signed Shipper Framework Agreement under which the Shipper has accepted the Terms and Conditions of Portal Access, the Transmission System Operator with System Responsibility shall email the Shipper its user ID for the Portal where the Shipper will be able to notify its Contact Persons.

The Capacity Transfer is initiated by the Initiating Shipper, which submits a Capacity Transfer Request to the Transmission System Operator with System Responsibility. The Responding Shipper shall confirm the Capacity Transfer Request.

6.4.1 Information to be provided in a Capacity Transfer Request

A Capacity Transfer Request shall contain the following information:

- i) the Entry Point, Biogas Virtual Entry Point, LNG Virtual Entry Point, Exit Point or Exit Zone to which the Capacity Transfer Request pertains;
- ii) the requested Capacity Period for the Capacity rights to be transferred;
- iii) the amount of Capacity, expressed in kWh/hour, for the Capacity Transfer requested;
- iv) the Shippers' Participant identifiers;

v) whether the Shipper is a Transferring or Receiving Shipper and

vi) the Contact Persons authorized by the Shippers in question.

If the Receiving Shipper has existing Capacity Agreements for the same Entry Point, Biogas Virtual Entry Point, LNG Virtual Entry Point, Exit Point or Exit Zone, the Shipper may pool the Capacities of these with those Capacity rights to which the Capacity Transfer pertains if the Capacity Periods of the Capacity Agreements and Capacity rights to be transferred overlap.

6.4.2 Submission of a Capacity Transfer Request

The Initiating Shipper, which must be the Shipper transferring the Capacity, shall send the Capacity Transfer Request using the Portal of the Transmission System Operator with System Responsibility.

The Counterparty of the Initiating Shipper (the Responding Shipper) shall confirm the Capacity Transfer Request submitted if the Capacity Transfer is to take place. The Responding Shipper shall confirm the Capacity Transfer Request using the confirmation procedure of the Portal.

When the Responding Shipper has confirmed the Capacity Transfer Request, the Transmission System Operator with System Responsibility shall check whether or not the confirmed Capacity Transfer Request meets the conditions laid down in section 6.3. A Capacity Transfer Request by the Transmission System Operator with System Responsibility shall be binding on the Shippers. The Transmission System Operator with System Responsibility shall notify the Participants of accepted Capacity Transfer Requests.

6.4.3 Deadlines

The Responding Shipper shall confirm a Capacity Transfer Request by 2:00 UTC (daylight saving time) or by 1:00 UTC (summer time) before the first Gas Day of that Capacity Period to which the Capacity Transfer Request pertains. The Transmission System Operator with System Responsibility recommends that Shippers send their Capacity Transfer Requests in good time.

The Transmission System Operator with System Responsibility shall process Capacity Transfer Requests made on the Portal within one (1) hour of 1) the submission of an Initiating Shipper's Capacity Transfer Request and 2) a Responding Shipper's confirmation of a Capacity Transfer Request. The Transmission System Operator with System Responsibility reserves the right to extend the processing period of Capacity Transfer Requests in Exceptional Situations. In such situations, the Shippers shall be informed by emailing them at the addresses notified as the Shipper's Contact Persons.

6.4.4 Amending and cancelling Capacity Transfers

The Shippers may request that Capacity Transfers carried out by them be amended or cancelled by notification to the Transmission System Operator with System Responsibility. The request shall be made on the Portal of the Transmission System Operator with System Responsibility. The Counterparty of the Shipper submitting the amendment or cancellation request shall confirm the amendment or cancellation request by 2:00 UTC (daylight saving time) or by 1:00 UTC (summer time) before the first Gas Day of that Capacity Period to which the request to cancel the Capacity Transfer pertains. If the Counterparty's confirmation is not submitted by the above deadline, the amendment or cancellation request shall not be processed. The Transmission System Operator with System Responsibility shall check in conjunction with a request that the Receiving Shipper has not made any Confirmed Nominations that would prevent the amendment or cancellation of the Capacity Transfer.

The Transmission System Operator with System Responsibility shall process amendment and cancellation requests within the following business day from the confirmation of the request. The Transmission System Operator with System Responsibility reserves the right to extend the processing period of amendment and cancellation requests in Exceptional Situations. In such situations, the Shippers shall be informed by emailing them at the addresses notified by the Shipper as Contact Persons.

6.5 Capacity transfer procedure through the service provider's capacity transfer platform

The transfer of capacity rights through the capacity rights transfer platform provided by third party shall be carried out in accordance with Chapter 6.4. deadlines. A Shipper has responsibility for the transfer of capacity rights reporting, regardless of whether the third party submits transfer notifications on his behalf.

6.6 Manual Procedure for Capacity Transfers

The Capacity Transfer is initiated by the Initiating Shipper, which submits a Capacity Transfer Request to the Transmission System Operator with System Responsibility. The Responding Shipper shall confirm the Capacity Transfer Request. If the Capacity Transfer Procedure is not available via the Portal, the Manual Procedure for Capacity Transfers shall be used as follows:

- a) The Transferring Shipper shall complete the Capacity Transfer Request form found on the website of the Transmission System Operator with System Responsibility and send it by email to the email address provided by the Transmission System Operator with System Responsibility for the Capacity Transfer Procedure. The Shipper's Contact Persons shall sign the Capacity Transfer Request.
- b) Capacity Transfer Requests received shall be processed in the order in which they are received by the Transmission System Operator with System Responsibility. The Transmission System Operator with System Responsibility shall not, however, be obliged to process Capacity Transfer Requests if this not possible for any technical reason whatsoever.
- c) If sufficient Capacity is not available or if the Receiving Shipper does not have a sufficient credit limit, the Capacity Transfer shall not take place and
- d) the Transmission System Operator with System Responsibility may at its discretion extend any of the deadlines specified.

The Transmission System Operator with System Responsibility shall notify the Shippers of the rejection of a Capacity Transfer Request within two (2) Business Days from the receipt of the Capacity Transfer Request.

6.6.1 Conditions for the manual procedure for Capacity Transfers

The manual procedure for Capacity Transfers may be used in the following cases:

- a) if the Transferring Shipper and the Receiving Shipper have concluded Shipper Framework Agreements and notified in accordance with these Agreements to the Transmission System Operator with System Responsibility the email addresses from which binding Capacity Transfer Requests may be submitted or confirmed. By notifying the above-mentioned email addresses, the Shippers shall accept that all Capacity Transfer Requests submitted or confirmed from these addresses shall be binding on the Shippers;
- b) if a Capacity Transfer Request is submitted and confirmed from email addresses notified by the Shippers to the email address provided by the Transmission System Operator with System Responsibility for processing of Capacity Transfer Requests;

December 1, 2020

- c) if any variable payments relating to Capacity rights transferred can be processed within the credit limit of the Receiving Shipper and the Transmission System Operator with System Responsibility considers that no further security is required;
- d) if the Capacity Transfer Request does not require the registration of new Delivery Relationships by the Receiving Shipper;
- e) if the Capacity Transfer Request is based on quantities of Capacity available at any time determined by the Transmission System Operator with System Responsibility; and
- f) if the Capacity Transfer Request relates to a Capacity Period that commences two (2) Business Days after the date on which the acceptance of the Capacity Transfer Request of the Transmission System Operator with System Responsibility is available.

6.6.2 Manual Capacity Transfer Procedure and its deadlines

Capacity Transfer Requests shall be submitted by either of the Shippers to the address provided by the Transmission System Operator with System Responsibility, adding the other Shipper as a Carbon Copy (CC) recipient of the message, and the Requests shall contain the information specified in section 6.4.

Capacity Transfer Requests shall be considered as received by the Transmission System Operator with System Responsibility only once the Transmission System Operator with System Responsibility has received a confirmation of the Capacity Transfer Request from the other Shipper by email from an address notified as a Contact Person.

An incomplete confirmation notification shall result in the rejection of the Capacity Transfer Request.

If the other Shipper's confirmation of a Capacity Transfer Request is received before 8:00 UTC (daylight saving time) or before 7:00 UTC (summer time), it shall be processed on the following Business Day by 14:00 UTC (daylight saving time) or by 13:00 UTC (summer time). If a confirmation of a Capacity Transfer Request is received on a day that is not a Business Day or if a confirmation is received on a Business Day after 8:00 UTC (daylight saving time) or after 7:00 UTC (summer time), the Capacity Transfer Request shall be processed two Business Days later by 14:00 UTC (daylight saving time) or by 13:00 UTC (summer time).

The Transmission System Operator with System Responsibility reserves the right to extend the processing period of Capacity Transfer Requests. In such situations, the Shippers shall be informed of this by email at the addresses provided as the Shippers' Contact Persons.

Upon having received a confirmation of a Capacity Transfer Request, the Transmission System Operator with System Responsibility shall send an acceptance or rejection in accordance with section 0Error! No bookmark name given..

6.6.3 Amending and cancelling an accepted Capacity Transfer

If the Shippers wish to amend a Capacity Transfer that has already been accepted by the Transmission System Operator with System Responsibility but not yet carried out, they shall submit a new Capacity Transfer Request in accordance with section 6.6 stating how the Participants wish to amend the Capacity Transfer that has already been confirmed. If the Shippers wish to cancel a Capacity Transfer that has already been accepted, the Shippers shall request for a new Capacity Transfer for the same Capacity quantity and Period in a manner whereby the original Receiving Shipper acts as the Transferring Shipper and vice versa.

Regardless of whether both Shippers have requested an amendment to a Capacity Transfer or wish to cancel it, the Transmission System Operator with System Responsibility may refuse a request for an amendment or cancellation.

6.7 Capacity Transfer charges

Both Shippers shall pay the charge for a Capacity Transfer in accordance with the up-to-date Price List of the Transmission System Operator with System Responsibility. Charges shall be invoiced in monthly invoices.

7 Nomination and Trade Notification procedures

A Shipper shall make nominations of the quantities of gas delivered on a Gas Day at the Balticconnector Interconnection Point, LNG Virtual Entry Point or Imatra Entry Point. If no nomination or renomination is submitted, the shipper shall not be entitled to get the gas transferred.

Balance Responsible Shippers and Traders or Shippers or Traders that are members of the Balance Group authorized by these shall submit Trade Notifications to the Transmission System Operator with System Responsibility concerning Gas Transfers taking place on a Gas Day. The gas exchange's Transaction Clearer shall be responsible for Trade Notifications concerning trade transactions conducted on a gas exchange.

In addition to the Shipper's and Trader's electronic messages, Nominations, Trade Notifications and Renominations can be submitted via the Portal of the Transmission System Operator with System Responsibility. The Shipper and Trader can use the Portal to notify to the Transmission System Operator with System Responsibility a Contact Person authorized to carry out Nominations, Renominations and Trade Notifications on behalf of the Shipper and Trader. The use of electronic messages shall require that the Shipper meets the requirements set by the Transmission System Operator with System Responsibility for the exchange of information.

In Exceptional Situations, the Transmission System Operator with System Responsibility may, upon the order of a competent authority, suspend the option for Renominations and Trade Notifications and extend the lead times set for confirmation notifications (see section 0).

7.1 Nominations before the Gas Day

- a) Shippers shall submit Nominations to the Transmission System Operator with System Responsibility no earlier than on Gas Day D-400 and no later on Gas Day D-1 by 13:00 UTC (daylight saving time) or by 12:00 UTC (summer time). A Nomination submitted may be corrected until the end of the above-mentioned time limit. Even if a Shipper does not submit Nominations by the above-mentioned time limit, the Shipper shall have the opportunity to submit Renominations as set out in section 7.2.

The following shall be submitted to the Transmission System Operator with System Responsibility:

- (i) Nominations from Entry Points (Balticconnector, Imatra, LNG Virtual Entry Point)

The Shipper shall state the gas quantities, expressed as kWh/hour, that the Shipper intends to inject into the system at the Entry Point each hour of the Gas Day, together with the Participant identifier for the Shipper's Counterparty. Shipper nominations for Balticconnector entry and exit points must be the same for each remaining hour of the Gas Day.

The quantities of Shipper's nominations at Balticconnector's entry and exit points must be netted per counterparty for entry and exit. I.e. if the nomination to entry direction is 50 units and to exit direction 20 units, the Shipper shall submit nomination of 30 units to entry direction. The Shipper's aggregated Nominations per direction shall not exceed the Technical Capacity of Balticconnector. If the Shipper's aggregated Nominations per direction exceeds the Technical Capacity of Balticconnector, the Nominations will be rejected.

- (ii) Nominations for the Biogas Virtual Entry Point

The Transmission System Operator with System Responsibility may require Nominations from the Shipper for the Biogas Virtual Entry Point or individual Biogas Entry Points. If Nominations for the Biogas Virtual Entry Point or individual Biogas Entry Points are required to maintain the security of supply of the Natural Gas System, the Transmission System Operator with System Responsibility shall inform the Shippers well in advance from when

onwards the Nomination obligation is in effect and to which points the Nomination obligation applies. If Nominations are required, they shall be expressed as kWh/hour for each hour of the Gas Day.

(iii) Nominations in the Exit Zone

The Transmission System Operator with System Responsibility may require Nominations for the Exit Zone or for individual Exit Points of the Exit Zone. If Nominations for individual Exit Points of the Exit Zone are required to maintain the security of supply of the Natural Gas System, the Transmission System Operator with System Responsibility shall inform the Shippers well in advance from when onwards the Nomination obligation is in effect and to which points the Nomination obligation applies. If Nominations are required, they shall be expressed as kWh/hour for each hour of the Gas Day.

(iv) Nominations for Exit Points (Balticconnector)

The Shipper shall state the quantities of gas, expressed in kWh/hour, transferred by the Shipper at the Exit Point each hour of the Gas Day together with the Participant identifier for the Shipper's Counterparty. If the Shipper has more than one Counterparty at the Exit Point, the Shipper shall state the quantities of gas transferred to each Counterparty each hour of the Gas Day.

b) On Gas Day D-1 by 15:00 UTC (daylight saving time) and by 14:00 UTC (summer time), the Transmission System Operator with System Responsibility shall notify to the Shipper:

- a. whether Nominations for Gas Day D have been confirmed and
- b. whether one or more of the Nominations have been reduced or rejected (see sections 7.3–7.6.2) and

Nominations which have been confirmed as such or reduced shall be Confirmed Nominations.

7.2 Renominations for the entire Gas Day or for the remaining hours of the Gas Day

The Shipper's Nominations that have been made on Gas Day D-1 by 13:00 UTC (daylight saving time) and by 12:00 UTC (summer time) (see section 0 a above) may be revised for the entire Gas Day from 15:00 UTC (daylight saving time) and from 14:00 UTC (summer time) on Gas Day D-1 until 3:00 UTC (daylight saving time) and until 2:00 UTC (summer time) on Gas Day D-1 by performing Renomination. Any Renominations performed after that time limit shall be made for the remaining hours of the Gas Day. The last possible Renomination for the remaining hours of the Gas Day can be submitted on Gas Day D by 2:00 UTC (daylight saving time) and by 1:00 UTC (summer time).

A new Renomination round shall begin on the hour. The Transmission System Operator with System Responsibility shall notify of the acceptance, refusal or reduction of a Renomination by the third hour following the receipt of the renomination. The following information shall be given in the notification:

- (i) whether the Renominations have been confirmed;
- (ii) whether one or more of the Renominations have been reduced or rejected (see sections 7.3–7.6.2);

•

Renominations confirmed in accordance with the procedure outlined above shall constitute the Confirmed Nominations for the Gas Day in question for the entire Gas Day or for the remaining hours of the Gas Day. Confirmed Nominations shall take effect on the third full hour following receipt of the Renomination. For example, a Renomination received on

a Gas Day at 22:50 UTC (daylight saving time) shall therefore take effect at 1:00 UTC (daylight saving time) and a Renomination received at 23:10 UTC (daylight saving time) at 2:00 UTC (daylight saving time).

Shipper's renomination to Balticconnector's entry and exit points must be the same for each remaining hour of the Gas Day.

The quantities of Shipper's renominations at Balticconnector's entry and exit points must be netted per counterparty for entry and exit. I.e. if the renomination to entry direction is 50 units and to exit direction 20 units, the Shipper shall submit renomination of 30 units to entry direction.

Please note: A Renomination imbalance charge may be charged for a reduction in Renomination, see section 17 iii).

7.3 Conditions for Nominations and Renominations

The Shipper shall make only one Nomination or Renomination, as the case may be, for quantities of gas transmitted for each Counterparty at the relevant point where the Nomination procedure is required regardless of whether or not the Shipper has Capacity Agreements and regardless of the type of Capacity contained in the Capacity Agreements (firm or interruptible Capacity).

If the Shipper revises an existing Nomination before the expiry of a deadline, the latest received Nomination or Renomination within such deadline shall apply.

7.4 Rejection of Nominations and Renominations

The Transmission System Operator with System Responsibility shall reject a Nomination or Renomination if it contains incomplete or erroneous information, if the Nomination or Renomination has arrived after the 'no later than' deadline applied or if the submitter of the information does not have the right to submit Nominations or Renominations.

7.5 Reduction of Nominations, Confirmed Nominations and Renominations at the Imatra Entry Point and LNG Virtual Entry Point

The Transmission System Operator with System Responsibility shall have the right to reduce a Shipper's Nominations, Confirmed Nominations and Renominations if the capacity of the Transmission Network has been restricted due to planned or unplanned interruption, servicing, maintenance or Exceptional Situation or the nominated quantity exceeds the Capacity ordered by the Shipper.

If the Transmission System Operator with System Responsibility reduces the Shipper's Nominations, Confirmed Nominations and Renominations, all relevant Nominations, Confirmed Nominations and Renominations of the Shippers shall be reduced on a pro rata basis, i.e. proportionally to the quantities nominated. Firm Capacity Agreement shall be prioritized over interruptible Capacity Agreements.

7.5.1 Reduction of Nominations and Renominations exceeding the Shipper's Capacity

A Shipper's Nominations and Renominations may not exceed the Shipper's pooled Capacity (so-called Excess Nomination) at the Imatra Entry Point and LNG Virtual Entry Point. If a Nomination or Renomination exceeds the Shipper's pooled Capacity, the Transmission System Operator with System Responsibility shall decline the Nomination or Renomination.

7.5.2 Prioritization of Nominations and Renominations in respect of firm and interruptible Capacity

The Transmission System Operator with System Responsibility shall prioritize firm Capacity Agreements over interruptible ones.

If several Shippers have acquired interruptible Capacity and the total of the Nominations of all of the Shippers exceeds the available firm Capacity, the order of priority of the Nominations submitted by the various Shippers shall be determined on the basis of the time stamps of those Shippers' respective interruptible Capacity Agreements after the Nominations have first been allocated to firm Capacity Agreements.

Interruptible Capacity Agreements that had come into force earlier shall take priority over those concluded later.

If, for two or more Nominations, the interruptible Capacity Agreements have the same time stamp, these Nominations shall be reduced on a pro rata basis, i.e. proportionally to the quantities stated, unless all of the Nominations ranked at the same priority level are reduced to zero.

The pro rata distribution of available transmission Capacity between Shippers with interruptible Capacity shall be based on the Nominations and Renominations most recently received from the Shippers.

The pro rata distribution of Nominations relating to interruptible Capacity shall not be binding until the Transmission System Operator with System Responsibility has confirmed or reduced the last possible Renomination concerning firm Capacity products for a given delivery hour of the Gas Day. A Confirmed Nomination of interruptible Capacity received by the Shipper more than one (1) hour before the hour to which the underlying Nomination relates may be changed by the Transmission System Operator with System Responsibility.

7.6 Matching and acceptance of Nominations at the Balticconnector Interconnection Point

7.6.1 Matching of Nominations at the Balticconnector Interconnection Point

Before and during the Gas Day, the Transmission System Operator with System Responsibility and the System Operator of an adjacent system undertake in collaboration continuous matching of:

- the Shipper's most recent Nominations concerning the planned transmission for the Entry Point and Renominations thereof with the most recent Nominations and Renominations of the Shipper's Counterparties in the adjacent system and
- the Shipper's most recent Nominations concerning the planned transmission at the Exit Point and Renominations thereof with the most recent Nominations and Renominations of the Shipper's Counterparties in the adjacent system.

If matching is undertaken on the basis of Renominations received from the Shippers or their Counterparties on Gas Day D-1 after 3:00 UTC (daylight saving time) or after 2:00 UTC (summer time), the matched data shall only be effective for the remaining hours of the Gas Day.

If the Shipper's most recent Nomination or Renomination does not correspond to the most recent Nomination and Renomination made by its Counterparty at the relevant Entry or Exit Point, the Nomination shall be reduced to the lowest of the values nominated or renominated.

7.6.2 Acceptance of Nominations at the Balticconnector Interconnection Point

The Transmission System Operator with System Responsibility shall compare matched Nominations with the Balticconnector's technical capacity. Nominations shall be confirmed as such if the Balticconnector's technical capacity exceeds the transmitted quantity required by the combined total of the Nominations. In other cases, all Shippers' Nominations shall be reduced on a pro rata basis to the amount that can technically be transmitted.

As regards matched Renominations, any Capacity allocated implicitly to previous Confirmed Nominations shall be taken into account. Only available Capacity remaining in the Balticconnector may be allocated to Renominations. If available technical Capacity is sufficient to cover the change in amounts transmitted caused by Renominations, the Renominations shall be confirmed in full. If only a part of Renominated quantities can be transmitted, any remaining available Capacity shall be divided between all Renominations on a pro rata basis insofar as the quantity renominated by each Shipper differs from the Shipper's effective Confirmed Nomination. Renominations processed in this manner shall constitute the Shippers' new Confirmed Nominations.

7.7 Matching and confirmation of nominations in the LNG Virtual Entry Point

Before and during the Gas Day, the Transmission System Operator and the LNG system operator shall cooperate in continuous matching of:

- the shipper's most recent Nominations to the entry point and the Renominations from here on compared to the shipper's counterparties' latest Nominations and Renominations to the LNG system operator

If the matching is based on Renominations received from shippers or their counterparts on Gas Day D-1 after 3.00 UTC (winter time) or 2.00 UTC (summer time), the matched renominated amount will only take effect for the remaining hours on the Gas Day.

If Shipper latest Nomination or Renomination is not equalling the counterparty Shipper latest Nomination and Renomination at the entry or exit point, the Nomination is reduced to a smaller nominated or renominated values ('lesser rule').

7.8 Reducing Nominations at Balticconnector, LNG Virtual Entry Point and Imatra Entry Point for other reasons

7.8.1 Reduction due to repairs, maintenance or reduced transmission capacity

The Transmission System Operator with System Responsibility may reduce Confirmed Nominations if the transmission capacity of the system is temporarily reduced in all or part of the Transmission Network or adjacent systems due to:

- a) planned repair or maintenance work (see section 12) or
- b) exceptional physical or operational circumstances, in which case the Transmission System Operator shall issue a reduced capacity notice (see section 13).

7.8.2 Reduction due to non-compliance with quality requirements

If the gas does not comply or is not expected to comply with the quality requirements set and the Transmission System Operator with System Responsibility or the Transmission System Operator of an adjacent system rejects to receive at the Entry Point(s) or Exit Point(s) of the Transmission Network the gas delivered by the Shipper (including network

injection of biogas) (see section 16.2) the relevant Shipper's Confirmed Nominations or Renominations shall be reduced by the corresponding amount for the number of hours or Gas Days that the situation persists.

7.8.3 Restrictions due to an Exceptional Situation or force majeure

The Transmission System Operator with System Responsibility may, upon an order by the competent authority, implement restrictions in relation to the Shipper's Nominations and reduce Confirmed Nominations and Renominations in Exceptional Situations (see section 15.1.1) or due to force majeure (see section 14).

7.9 Trade Notifications

The Virtual Trading Point is a service maintained by the Transmission System Operator with System Responsibility where quantities of gas can be transferred through Trade Notifications from the Transferring Shipper or Trader to the Receiving Shipper or Trader. Upon having received a Participant's Trade Notification, the Transmission System Operator with System Responsibility shall match it with the Trade Notification received from the Counterparty.

If a Shipper or Trader wishes to submit Trade Notifications via the Portal of the Transmission System Operator with System Responsibility, the Shipper or Trader shall authorize one or more Contact Person(s) on the Portal of the Transmission System Operator with System Responsibility to send Trade Notifications.

A requirement for the sending of Trade Notifications by electronic messages shall be that the Shipper or Trader meets the requirements set by the Transmission System Operator with System Responsibility for the exchange of information.

7.9.1 Conditions for Gas Transfers

Before sending a Trade Notification, a Participant shall:

- i. have concluded a Shipper or Trader Framework Agreement with the Transmission System Operator with System Responsibility and
- ii. be in possession of the Participant identifier of the Counterparty to the transaction.

If the above conditions are not fulfilled, the Trade Notification shall be rejected. In addition, the Transmission System Operator with System Responsibility may reject a Trade Notification if it contains incomplete or erroneous information, if the Notification has arrived after the 'no later than' deadline applied or if the submitter of the information does not have the right to submit Trade Notifications.

7.9.2 Submission of Trade Notifications

- a) Trade Notifications may be submitted to the Virtual Trading Point no earlier than on Gas Day D-400 and no later than on Gas Day D by 3:30 UTC (daylight saving time) and by 2:30 UTC (summer time). Regardless of whether or not the Shipper or Trader is using the Portal or electronic messages for the submission of Trade Notifications, the following information shall be provided in Trade Notifications:
 - i. the Transferring Participant's Trade Notifications
Gas quantities, expressed in kWh/h, that the Transferring Participant intends to transfer on the Gas Day via the Virtual Trading Point and the Receiving Participant's Participant identifier. If there are several Receiving Participants, the Transferring Participant shall specify the gas quantities transferred, expressed in kWh/h, for each Receiving Participant.

ii. the Receiving Participant's Trade Notifications

Gas quantities, expressed in kWh/h, that the Receiving Participant intends to obtain on the Gas Day via the Virtual Trading Point and the Transferring Participant's Participant identifier. If there are several Transferring Participants, the Receiving Participant shall specify the gas quantities transferred, expressed in kWh/h, for each Transferring Participant.

- c) The Transmission System Operator with System Responsibility shall process and confirm new Trade Notifications received at half-hour intervals starting from 13:00 UTC (daylight saving time) or 12:00 UTC (summer time) on the day preceding the Gas Day. For example, a Trade Notification received on a Gas Day at 13:25 shall be processed and confirmed by 14:00 and one received at 13:35 by 14:30 UTC (daylight saving time) or 13:30 UTC (summer time). The Transmission System Operator with System Responsibility shall confirm the following information to both the Transferring and the Receiving Participant:
- i. whether the Trade Notifications submitted for Gas Day D have been accepted;
 - ii. whether one or more Trade Notifications have been reduced or rejected or
 - iii. whether one or more Trade Notifications have been reduced or rejected as a result of matching carried out by the Transmission System Operator with System Responsibility.
- d) Trade Notifications that have been accepted or reduced shall be accepted Trade Notifications. The Transmission System Operator with System Responsibility shall inform the Counterparties to a trade of the Trade Notifications submitted by them and of accepted Trade Notifications to the necessary extent.
- e) If a Participant or a gas exchange's Transaction Clearer has not submitted Trade Notifications to the Transmission System Operator with System Responsibility at the Virtual Trading Point, the Trade Notifications shall not be registered.

A Participant may make one Trade Notification for each Counterparty at the Virtual Trading Point. A Trade Notification received or accepted by the Transmission System Operator with System Responsibility may be amended by submitting a new Trade Notification replacing the previous one.

7.9.3 Trade Notifications concerning trades on a gas exchange

As regards all trades on a gas exchange, the Counterparty shall be the Transaction Clearer that, consequently, shall act as the Counterparty to the Transferring as well as the Receiving Shipper or Trader.

Trade Notifications submitted by the gas Transaction Clearer to the Virtual Trading Point shall always be identical to trade transactions concluded on a gas exchange. After concluding a trade on the gas exchange, the Transaction Clearer sends unilateral trade notifications about the trade to the virtual trading point.

A trade notification received by a virtual trading point from a Transaction Clearer is valid even if the shipper or Trader has reported different amounts themselves or has not reported any trades on the gas exchange to the virtual trading point.

The Transmission System Operator with System Responsibility may reject a trade notification concluded on a gas exchange if the shipper or trader does not have:

- i. have concluded a Shipper or Trader Framework Agreement with the Transmission System Operator with System Responsibility; or
- ii. have sufficient creditworthiness;

Shippers and Traders need not separately send Trade Notifications to the Virtual Trading Point concerning trade transactions concluded on a gas exchange.

If a Shipper or Trader submits Trade Notifications concerning trade transactions concluded on a gas exchange, the Shipper or Trader shall provide information about the quantities of gas (expressed in kWh/h) that the Shipper or Trader wishes to transfer or receive on a specific Gas Day on a gas exchange together with the Shipper's or Trader's own Participant identifier. A Shipper's or Trader's Trade Notification shall always be for information purposes only. Therefore, if an accepted Trade Notification submitted by a gas exchange and a Trade Notification submitted by a Shipper or Trader differ from each other, the Notification submitted by the Transaction Clearer shall be regarded as the correct one.

The Transmission System Operator with System Responsibility shall provide the accepted Trade Notifications it has received from a Transaction Clearer for the information of the Shippers and Traders a day before and within the Gas Day.

7.10 Matching procedure at the Virtual Trading Point

The Transmission System Operator with System Responsibility undertakes continuous matching at the Virtual Trading Point before and during the Gas Day of:

- the Shipper's or Trader's most recent Trade Notifications with the most recent Trade Notifications of the Shipper's or Trader's Counterparties at the Virtual Trading Point and
- the Shipper's or Trader's possible own Trade Notifications concerning trades at a gas exchange with the Trade Notifications provided by the gas exchange's Transaction Clearer.

If the Shipper's or Trader's most recent Trade Notification does not correspond to the most recent Trade Notifications made by its Counterparties at the Virtual Trading Point, the Confirmed Nominations shall be reduced to the lowest of the values notified. An exception to this shall, however, be that Trade Notifications of a gas exchange's Transaction Clearer shall always be regarded as correct, as provided in section 7.9.3.

8 Allocation

Allocation means the quantity of gas allocated to a Shipper based on an Confirmed Nomination, to a Shipper or Trader based on an accepted Trade Notification or to a Shipper based on measurement data for a Metering Site or Biogas Entry Point. Allocation of natural gas quantities shall be used as the basis for determining the Shipper's payments in the Transmission Network and as initial data for balance settlement.

In Allocation, quantities of gas shall be given as energy expressed in kWh based on the gross calorific value of natural gas.

The Transmission System Operator with System Responsibility shall provide the Shippers and Traders with the preliminary quantities allocated for the Gas Day on the following Gas Day (D+1) by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time).

8.1 Allocation applied to the Balticconnector Interconnection Point

The deliveries and offtakes of natural gas corresponding to the Confirmed Nominations concerning the Balticconnector Interconnection Point shall be allocated to the Shipper every hour.

The Transmission System Operator with System Responsibility shall provide the preliminary quantities allocated for the Gas Day on the following Gas Day (D+1) by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time).

8.2 Allocation applied to the Imatra Entry Point and LNG Virtual Entry Point

At the Imatra Entry Point and LNG Virtual Entry Point, the quantities of natural gas corresponding to the Confirmed Nominations shall be allocated to the Shipper every hour.

The Transmission System Operator with System Responsibility shall provide the preliminary quantities allocated for the Gas Day on the following Gas Day (D+1) by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time).

8.2.1 The Shipper's supply contract is based on metered quantities of gas and/or the Shipper is in a dominant market position at the Imatra Entry Point

The procedure described below shall, in addition, be applied to a Shipper's Allocation at the Imatra Entry Point if the Shipper is in a dominant market position as regards quantities transmitted at the Imatra Entry Point and/or has a supply contract based on metered quantities with a Counterparty of the adjacent system:

- The Shipper shall conclude a separate agreement with the Transmission System Operator with System Responsibility concerning the balancing of the difference between the metered quantities transmitted at the Imatra Entry Point and the total combined Confirmed Nominations of all Shippers for the Gas Day no later than two (2) weeks before the Gas Day on which gas deliveries are due to commence.
- On the basis of the separate agreement between the Shipper and the Transmission System Operator with System Responsibility, the Transmission System Operator with System Responsibility shall establish for the Shipper a separate balance settlement account for the entry of the Shipper's Gas Day specific difference between metered transmission quantities at the Imatra Entry Point and Confirmed Nominations.
- If there are multiple Shippers whose supply contract with the Counterparty of the adjacent system is based on metered quantities, the difference between the Shippers' Confirmed Nominations and the measured

December 1, 2020

quantities transmitted shall be allocated to separate balance settlement accounts between the Shippers in question proportionally to their Confirmed Nominations (pro rata).

- A Shipper's Allocations in the Finnish Gas System shall be the Confirmed Nominations of the Shipper in question for the Imatra Entry Point. Consequently, the Allocation of Confirmed Nominations notified by a Shipper for the Imatra Entry Point shall be entered as deliveries for the Balance Group where the Shipper acts as a Balance Responsible Party or a Balance Group member in accordance with section 8.1. Correspondingly, Nominations confirmed for the Shipper at the Imatra Entry Point shall be regarded as Capacity used by the Shipper.
- The Transmission System Operator with System Responsibility shall notify the Counterparty of the adjacent system as the Allocation for the Gas Day the Shipper's Confirmed Nominations plus any Gas Day specific difference between the metered quantities transmitted and Confirmed Nominations entered into the separate balance settlement account of the Shipper in question.
- The Transmission System Operator with System Responsibility shall calculate for the Shipper's separate balance settlement account the cumulative imbalance for each Gas Day of the Gas Month. If a Shipper's separate balance settlement account shows a cumulative imbalance at the end of a Gas Month, the Transmission System Operator with System Responsibility shall neutralize the imbalance with the neutral gas price given in the tariff in force on the first Business Day of the month following the Gas Month.
- A Shipper may reduce the cumulative imbalance of its separate balance settlement account at any time during the Gas Month by submitting Trade Notifications at the Virtual Trading Point. In such cases the Shipper shall notify in the Trade Notification that the Trade Notification concerns the separate balance settlement account.

8.3 Allocation principle applied to Gas Transfers

Accepted Trade Notifications shall act as the Participant's Allocation for transfers of gas energy on the Gas Day in question. This includes the Participant's bilateral trades and trades concluded on a gas exchange on the Gas Day.

8.4 Preliminary Allocation principle applied to Daily Read Metering Sites in the Exit Zone and at Biogas Entry Points

The Shipper's Allocation shall be based on the quantities of gas measured hour- or day-specifically at Transmission Network End User Metering Sites, Daily Read Metering Sites of Distribution Networks and Biogas Entry Points belonging to the Shipper or estimates provided by System Operators if measurement data is not available. The residual consumption of a Distribution Network for a Gas Day shall be determined as follows:

- The total metered quantity of gas of Daily Read Metering Sites is deducted from the metered quantity of gas injected via a Connection Point ('citygate') and the metered quantity of biogas injected into the Distribution Network.

The Transmission System Operator with System Responsibility shall inform each Shipper on each Gas Day D+1 by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time) of the results of the first preliminary Allocation for the Participant in question for the previous Gas Day D based on measurement data obtained from the Transmission Network and the Shippers' computed shares of deliveries in the Distribution Networks.

A Shipper's computed share of deliveries x_i in a Distribution Network shall be determined as follows:

$$x_i = \frac{E_{shipper,month,i}}{E_{citygate,month} + E_{biogas,month}}$$

where $E_{\text{shipper,month},i}$ is the total amount of natural gas energy for Shipper i on Gas Day D for the Metering Sites of the Distribution Network delivered to the Metering Sites in question on the basis of the latest final balance settlement (sum data in kWh for the entire Gas Month). $E_{\text{Citygate,month}}$ is the amount of natural gas energy delivered from the Transmission Network to the Distribution Network on the basis of the latest final balance settlement (sum data for the entire Gas Month). $E_{\text{biogas,month}}$ is the amount of biogas energy injected from a Biogas Entry Point connected to the Distribution Network into the Distribution Network on the basis of the latest final balance settlement (sum data in kWh for the entire Gas Month).

The Transmission System Operator with System Responsibility shall in the first preliminary Allocation estimate the Shippers' deliveries into the Distribution Networks as follows:

$$E_{\text{shipper},D,i} = x_i \times (E_{\text{citygate},D} + E_{\text{biogas,avg}})$$

where $E_{\text{shipper},D,i}$ is an estimate of deliveries of amounts of natural gas energy (expressed in kWh/h) by Shipper i into the Distribution Network on Gas Day D . $E_{\text{CitygatePoint},D}$ is the amount of natural gas energy delivered into the Distribution Network from the Transmission Network on Gas Day D (expressed in kWh/h). $E_{\text{biogas,avg}}$ is the amount of biogas energy as an hourly average injected from a Biogas Entry Point connected to the Distribution Network into the Distribution Network on the basis of the latest final balance settlement (sum data in kWh for the entire Gas Month). The estimate $E_{\text{shipper},D,i}$ used for a Shipper responsible for deliveries at a Distribution Network Biogas Entry Point on Gas Day D shall be the value $E_{\text{biogas,avg}}$. The results of the first preliminary Allocation shall be notified to the Shipper by Transmission Network End User Metering Site, Biogas Entry Point and as delivered total amounts per Distribution Network.

The Transmission System Operator with System Responsibility shall inform each Shipper on each Gas Day $D+2$ by 15:00 UTC (daylight saving time) and by 14:00 UTC (summer time) of the results of the preliminary Allocation for the Participant in question for the previous Gas Day D provided that the necessary measurement data or estimates have been received from Distribution System Operators in time. Starting from day $D+2$, the results of the preliminary Allocation shall be notified to the Shipper by Transmission Network End User Metering Site, Biogas Entry Point and by Retailer per Distribution Network. If the Shipper detects errors in the Allocation, the Shipper shall immediately inform the Transmission System Operator with System Responsibility of the errors.

8.5 Preliminary Allocation principle applied to Non-Daily Read Metering Sites in the Exit Zone

The Non-Daily Read Metering Sites and Distribution Network losses shall constitute the Residual Consumption Consumer Portfolio for which the Retailer with Delivery Obligation in the Distribution Network in question is responsible. If a Distribution Network has only Daily Read Metering Sites, the Distribution System Operator in question may alternatively also be responsible for the Residual Consumption Consumer Portfolio. A Residual Consumption Consumer Portfolio of a Distribution Network may have one Shipper.

The Transmission System Operator with System Responsibility shall provide each Shipper with the results of the first preliminary Allocation of the Residual Consumption Consumer Portfolios of the Retailers with Delivery Obligation or the Distribution System Operators of the Participant in question for Gas Day $D+1$ by 12:00 UTC (daylight saving time) or 11:00 UTC (summer time) based on measurements in the Transmission Network and the Shippers' computed shares of deliveries (see determination of computed shares of deliveries in section 8.4).

The Transmission System Operator with System Responsibility shall inform each Shipper by the end of each Gas Day D+2 by 15:00 UTC (daylight saving time) and by 14:00 UTC (summer time) of the results of the preliminary Allocation for the Residual Consumption Consumer Portfolios of the Retailers with Delivery Obligation or the Distribution System Operators of the Participant in question for Gas Day D provided that the necessary measurement data has been submitted by the Distribution System Operators. If the Shipper detects discrepancies in the Allocation, the Shipper shall immediately inform the Transmission System Operator with System Responsibility of the discrepancies.

The Transmission System Operator with System Responsibility shall update the results of the preliminary Allocation for the Exit Zone on a daily basis until the final Allocation is completed.

9 Balancing and balance settlement

9.1 General

The Transmission System Operator with System Responsibility shall be responsible for balancing in the Finnish Gas System. A Shipper and a Trader shall register as a Balance Responsible Party or join a Balance Group managed by a Balance Responsible Shipper or Trader. The Balance Responsible Shipper or Trader shall be responsible for the balancing of the virtual and/or physical deliveries and offtakes of the members of its Balance Group in a manner whereby the Transmission System Operator with System Responsibility can minimize the balancing actions undertaken while balancing the system.

The Shipper or Trader assuming the role of Balance Responsible Shipper or Trader shall register as a Balance Responsible Party no later than ten (10) Business Days before the first Gas Day on which the Balance Group is to be operational. The Balance Responsible Shipper may notify Delivery Relationships for its Balance Group in the Register of Market Participants as soon as it has undertaken to comply with the Terms and Conditions of Balancing. Gas deliveries may not, however, commence until the Balance Group is operational.

The Balance Responsible Shipper shall notify the Transmission System Operator with System Responsibility of all of the Shippers and Traders that are members of the Balance Group. The Balance Responsible Shipper shall notify the Transmission System Operator with System Responsibility of a new Shipper or Trader becoming a member of its Balance Group no later than three (3) Gas Days before the start of the Gas Day from which the change is to take effect, providing that the Shipper or Trader becoming a member of the Balance Group confirms the amendment to its Balance Group information no later than one (1) Gas Day before the Gas Day on which the amendment takes effect. If a Shipper or Trader does not confirm its move into another Balance Group, the change shall not take effect and, instead, the Shipper or Trader shall stay in its current Balance Group. Amendments to Balance Group information shall be notified on the Portal of the Transmission System Operator with System Responsibility. A Shipper and a Trader may not trade in gas energy or Capacity before the information on its valid Balance Group is registered in the Register of Market Participants.

A Shipper and a Trader may only be a member of one Balance Group at a time. All of the Shipper's Delivery Relationships shall be connected to that Balance Group.

The Shippers and Traders shall deliver to the Finnish Gas System on each Gas Day at the Imatra, Balticconnector and Biogas Entry Points as well as deliveries at the Virtual Trading Point or as cleared by a gas exchange the sum of the daily quantities of gas that corresponds to the sum of the offtakes of gas that the Balance Group's Shippers and Traders have received from the system in the Exit Zone, as offtakes at the Virtual Trading Point or as cleared by a gas exchange and at the Balticconnector Exit Point on the same Gas Day.

If the sum of the Balance Group's injected quantities of gas on a Gas Day is not equal to the sum of the Balance Group's offtake for the Gas Day, the Balance Group shall be deemed imbalanced and the Balance Responsible Party of the Balance Group shall pay charges or receive compensation for imbalance quantities in accordance with section 0 depending on the direction and amount of the imbalance.

Balance Groups may be merged for the netting of imbalances and for charging the imbalance charge only to one Balance Group participating in the merger. The merger of Balance Groups shall be subject to the condition that the Balance Responsible Party has a valid Balance Group Merger Agreement with the Transmission System Operator with System Responsibility. Under the Agreement, daily imbalances occurring for each Balance Group shall be netted and

invoiced to a specific Balance Group participating in the merger. The Transmission System Operator with System Responsibility may also offer the opportunity to enter into a Balance Group Merger Agreement electronically via the Portal of the Transmission System Operator with System Responsibility. The Balance Group Merger Agreement shall be submitted to the Transmission System Operator with System Responsibility no later than ten (10) Business Days before the date on which the merger arrangements pertaining to that Agreement are to be effective. The minimum duration of Merger Agreements shall be one (1) full Gas Month. The Transmission System Operator with System Responsibility may, in an Exceptional Situation, restrict the right to merge imbalances in any part of the Finnish Gas System, if necessary to ensure security of supply in the Gas System.

9.2 Daily balancing

9.2.1 Obligation of the Transmission System Operator with System Responsibility to provide Shippers and Balance Responsible Parties with information before a Gas Day

The Transmission System Operator with System Responsibility shall provide each Shipper with a forecast of the total combined expected consumption of the Non-Daily Read Metering Sites in each of its Distribution Network areas, expressed in kWh/d, on Gas Day D-1 preceding the Gas Day by 12:00 UTC (daylight saving time) or by 11:00 UTC (summer time).

The Transmission System Operator with System Responsibility shall provide each Balance Responsible Party with a forecast of the total combined expected consumption of the Non-Daily Read Metering Sites of the members of its Balance Group, expressed in kWh/d, on Gas Day D-1 preceding the Gas Day by 12:00 UTC (daylight saving time) or by 11:00 UTC (summer time).

The Balance Responsible Party shall receive from the Transmission System Operator with System Responsibility the following information for each member of its Balance Group on Gas Day D-1:

- Day-specific sum data (kWh/d) for a Shipper member's latest Confirmed Nominations for Gas Day D (netted deliveries-offtakes without Counterparty information). The data shall be updated by the hour.
- Day-specific sum data (kWh/d) for a Shipper or Trader member's latest Accepted Trade Notifications for Gas Day D (netted deliveries-offtakes without Counterparty information). The data shall be updated by the hour.

9.2.2 Obligation of the Transmission System Operator with System Responsibility to provide Shippers, Traders and Balance Responsible Parties with information during a Gas Day

By the start of the Gas Day at 5:00 UTC (daylight saving time) or 4:00 UTC (summer time), the Transmission System Operator with System Responsibility shall publish on its Portal the Green Zone of the Gas System for that Gas Day. The Green Zone is the zone within which the system's imbalance forecast for the Gas Day may vary before the Transmission System Operator with System Responsibility will carry out balancing actions within the Gas Day by buying or selling gas on a gas exchange or by activating within-day orders under balancing service agreements.

On the Gas Day from 5:45 UTC (daylight saving time) or from 4:45 UTC (summer time), the Transmission System Operator with System Responsibility shall publish on its Portal the Gas System's forecast imbalance for the Gas Day and update this forecast every hour until 1:45 UTC (daylight saving time) or until 0:45 UTC (summer time).

The Transmission System Operator with System Responsibility shall provide each Shipper with information on the Shipper's actual hourly biogas network injections in the Transmission Network and its hourly consumption for each Transmission Network End User Metering Site where the information is available based on near real-time metering. The information on actual quantities transmitted shall be provided by the next full hour after the end of each delivery hour. Accordingly, the consumption data for the first hour of the Gas Day shall be available by 7:00 UTC (daylight saving time) or by 6:00 UTC (summer time) and for the last hour by 7:00 UTC (daylight saving time) or by 6:00 UTC (summer time) on Gas Day D+1. Each update shall cover the quantities of gas from the start of Gas Day D.

The Transmission System Operator with System Responsibility shall provide each Shipper with an update on the forecast for the Gas Day concerning their Non-Daily Read Metering Sites on Gas Day D by 13:00 UTC (daylight saving time) or by 12:00 UTC (summer time).

The Balance Responsible Party shall receive from the Transmission System Operator with System Responsibility the following information for each member of its Balance Group within the day on Gas Day D-1:

- Day-specific sum data (kWh/d) for a Shipper member's latest Confirmed Nominations (netted deliveries-offtakes without Counterparty information). The data shall be updated by the hour.
- Day-specific sum data (kWh/d) for a Shipper or Trader member's latest Accepted Trade Notifications (netted deliveries-offtakes without Counterparty information). The data shall be updated by the hour.
- Hour-specific sum data (kWh/h) for the measured transmission quantities (netted deliveries-offtakes without Entry and Exit Point data) of all of the Shipper member's Biogas Entry Points and Exit Points connected to the Transmission Network. The data on the measured transmission quantities shall be submitted by the next full hour after the end of each delivery hour. Please note: Measurement data submitted within the day is Unvalidated Data and does not constitute any Allocation confirmed by the Transmission System Operator with System Responsibility.

The data presented above shall be available to Balance Responsible Parties as hourly time series containing the data from the start of the Gas Day until the latest hour for which data is available. The hourly time series for the data shall be available via the Portal of the Transmission System Operator with System Responsibility. The data shall be stored for 12 months.

In addition to these, the Transmission System Operator with System Responsibility shall provide each Balance Responsible Party with an update on the forecasts for the Gas Day concerning the Non-Daily Read Metering Sites of their Balance Group Members on Gas Day D by 13:00 UTC (daylight saving time) or by 12:00 UTC (summer time). The Balance Responsible Parties shall be provided with the forecast as sum data per Balance Group member. The sum data shall be formed on the basis of the member's Distribution Network-specific forecasts.

9.2.3 Balancing actions of the Transmission System Operator with System Responsibility during the Gas Day

If the forecast imbalance for the Gas Day is in the Yellow Zone, the Transmission System Operator with System Responsibility may trade on the Gas Exchange or place within-day orders under balancing service agreements. The Transmission System Operator with System Responsibility may trade, partly or entirely, the quantities of gas corresponding to the difference between the most recent value of the forecast imbalance and the value that defines the border between the Green Zone and the Yellow Zone in relation to within-day products or within-day orders under balancing service agreements. The difference shall be rounded up to the smallest tradeable unit on the Gas Exchange. For as long as the forecast imbalance is in the Yellow Zone, the Transmission System Operator with System

Responsibility may trade on the Gas Exchange every hour from 9:00 UTC (daylight saving time) or from 8:00 UTC (summer time) until the start of the last delivery hour of the Gas Day.

The Transmission System Operator with System Responsibility shall publish on its Portal information on the highest purchase price and lowest sell price of the trades of the Transmission System Operator with System Responsibility at the Gas Exchange.

9.3 Preliminary settlement on Gas day D+1...M+5D

The Transmission System Operator with System Responsibility shall inform each Balance Responsible Shipper and Trader on each Gas Day D+1 by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time) of the results of the first preliminary Allocation for the previous Gas Day D based on Validated Data obtained from the Transmission Network and the Shippers' computed shares of deliveries in the Distribution Networks. In addition to this, the Transmission System Operator with System Responsibility shall, by the above-mentioned deadline, provide each Shipper and Trader with the balance settlement data relating to each Participant's own trading, deliveries to Distribution Networks and Nominations.

The Transmission System Operator with System Responsibility shall publish on each Gas Day D+1 by 12:00 UTC (daylight saving time) and by 11:00 UTC (summer time) the system imbalance for the preceding Gas Day D based on Validated Data.

The Transmission System Operator with System Responsibility shall update the results of the preliminary settlement for the Gas Days of the Gas Month on a daily basis until the results of the final balance settlement are available. The Transmission System Operator with System Responsibility shall starting from Gas Day D+2 by 15:00 UTC (daylight saving time) and by 14:00 UTC (summer time) inform each Balance Responsible Shipper and Trader of the results of the preliminary settlement for Gas Day D based on Validated Data. In addition to this, the Transmission System Operator with System Responsibility shall, by the above-mentioned deadline, provide each Shipper and Trader with the balance settlement data relating to each Participant's own trading, Delivery Relationships and Nominations.

9.4 Final balance settlement M+6D

The Transmission System Operator with System Responsibility shall on the sixth Gas Day of each Gas Month M+1 by 8:00 UTC (daylight saving time) and by 7:00 UTC (summer time) inform each Balance Responsible Shipper and Trader of the results of the final balance settlement for all of the Gas Days D of the preceding Gas Month M based on Validated Data. In addition to this, the Transmission System Operator with System Responsibility shall, by the above-mentioned deadline, provide each Shipper and Trader with the Gas Day specific balance settlement data relating to each Participant's own trading, Delivery Relationships and Nominations for the entire preceding Gas Month M.

9.5 First and Second Correction

Balance errors between Shippers, Transmission Network End Users, Retailers, Biogas Injecting Parties and the Transmission System Operator with System Responsibility shall be corrected twice for each delivery month. The Transmission System Operator with System Responsibility shall carry out the First Correction round during the third Gas Month following the delivery month (for example, the First Correction calculation for December shall take place in March) and the Second Correction calculation in April of the following calendar year for all 12 delivery months of the

preceding calendar year. After that, balance errors between Market Participants shall no longer be corrected otherwise than for exceptional reasons or under a bilateral agreement between Participants.

The Transmission System Operator with System Responsibility shall deliver the results of the correction calculations concerning balance errors (corrected balance calculation results on the basis of which a Participant can determine its balance errors) to the Market Participants for correction invoicing between them. The results of the final balance settlement shall not be amended as a result of correction calculations.

9.6 Extraordinary Correction

The Transmission System Operator with System Responsibility may carry out Extraordinary Correction calculations concerning balance errors in an Exceptional Situation either between the First and the Second Correction or after them.

10 Measurement

10.1 General

The following rules shall apply to obligations and requirements relating to measurements in the Finnish Gas System.

10.2 Requirements for measuring equipment intended for metering of consumption

The Transmission System Operator with System Responsibility shall be responsible for the conversion of readings of measuring equipment intended for the metering of consumption at Daily Read Metering Sites into units required by the Transmission System Operator with System Responsibility for centralized exchange of information.

10.3 Calculation methods

- a) The Transmission System Operator with System Responsibility shall report the quantities of gas of the Daily Read Metering Sites of all Distribution Networks to Retailers and Distribution System Operators expressed in kWh based on the gross calorific value. The invoicing of Retailers and Distribution System Operators to End Users of the Daily Read Metering Sites of the Distribution Network shall be based on the quantities of gas reported by the Transmission System Operator with System Responsibility. If data read from measuring equipment is in conflict with a quantity reported by the Transmission System Operator with System Responsibility, the Distribution System Operator shall correct the data for the Transmission System Operator with System Responsibility (including cases where there is a measuring equipment error).
- b) The Transmission System Operator with System Responsibility shall report the quantities of gas injected from the Biogas Entry Points and LNG Entry Points of all Distribution Networks into the network to Biogas Injecting Parties, LNG system operators and Distribution System Operators expressed in kWh based on the gross calorific value. The invoicing of Distribution System Operators to Biogas Injecting Parties and LNG system operators of the Distribution Network shall be based on the quantities of gas reported by the Transmission System Operator with System Responsibility.
- c) The hourly quantity of natural gas delivered to Transmission Network End Users shall be calculated by multiplying the metered mass or volume by the day-specific calorific value of gas delivered to the Transmission Network End User's Metering Site. The calorific value shall be determined by the Transmission System Operator with System Responsibility separately at each Transmission Network End User's Metering Site or be calculated by means of the measuring equipment of the Transmission System Operator with System Responsibility. The Transmission System Operator with System Responsibility shall report to each Shipper and Transmission Network End User the quantities of gas delivered to each Transmission Network End User Metering Site expressed in MWh or kWh based on the gross calorific value.
- d) The quantity of gas injected by a Biogas Injecting Party and LNG system operator into the Transmission or Distribution Network shall be calculated by multiplying the metered mass or volume by the hourly calorific value measured at the Entry Point. The System Operator shall be responsible for ensuring that metering and collection of measurement data has been organized. The Transmission System Operator with System Responsibility shall report to each Shipper, LNG system operator connected to the Transmission Network and Biogas Injecting Party connected to Transmission Network the quantities of gas received from their Biogas Entry Points expressed in kWh based on the gross calorific value.
- e) The Transmission System Operator with System Responsibility shall meter (or ensure that measurement data is provided) at the Transmission Network's Entry and Exit Points (Balticconnector, Imatra, LNG Entry Point) and Transmission Network Biogas Entry Points the hourly quantities of gas transmitted at the Transmission Network Biogas Entry Points and delivered to each Distribution Network from the Transmission Network at the Connection

Point ('citygate') in mass or volume and shall be responsible for the unit conversion of the quantities into normal cubic meters (m^3n , at $0^\circ C$ and an absolute pressure of 1.01325 bar). The Transmission System Operator with System Responsibility shall also ensure the reporting of calorific value measurement data for each of the above-mentioned points or the Transmission System Operator with System Responsibility shall calculate the calorific value. The Transmission System Operator with System Responsibility shall report the hourly quantity of natural gas delivered at the Connection Point ('citygate') of each Distribution Network expressed in m^3n and its calorific value in kWh/m^3n based on the gross calorific value. The calorific values shall be calculated in accordance with the ISO-6976 standard.

- f) The Distribution System Operators shall meter (or ensure that measurement data is provided on) the quantities of gas in mass or volume delivered to the Metering Sites of their Distribution Network areas and injected into the network from Biogas Injection Points and LNG Entry Points. The Distribution System Operator shall be responsible for the unit conversions into normal cubic meters (m^3n , at $0^\circ C$ and an absolute pressure of 1.01325 bar) of the metered quantities of gas. The Distribution System Operators shall submit the metered quantities of gas from Daily Read Metering Sites to the Transmission System Operator with System Responsibility expressed in m^3n . The Distribution System Operator shall be responsible for ensuring the determination of the calorific value of biogas and LNG injected into the network from Biogas Entry Points and LNG Entry Points, and shall submit the calorific value data to the Transmission System Operator with System Responsibility expressed in kWh/m^3n based on the gross calorific value. The calorific values shall be calculated in accordance with the ISO-6976 standard.

10.4 Measurements at the physical Entry and Exit Points of the Transmission Network and the Distribution Networks and at Transmission Network End User Metering Sites

- a) The Transmission System Operator with System Responsibility shall be responsible for the establishment, operation and maintenance of Gas Measurement Systems of Entry and Exit Points, Transmission Network End User Metering Sites and Connection Points ('citygate') connected to the Transmission Network or ensure that these are organized. The Gas Measurement Systems shall meter mass or volume at the delivery pressure and temperature.
- b) At the physical Entry and Exit Points, Biogas Entry Points, Transmission Network End User Metering Sites and each Connection Point ('citygate') connected to the Transmission Network, the Transmission System Operator with System Responsibility shall be responsible for or ensure that metering and determinations in accordance with section d) a) meet the requirements of the Gas Measurement Recommendations of the Transmission System Operator with System Responsibility.
- c) The Transmission System Operator with System Responsibility shall ensure that the metered quantities of gas can be allocated to Shippers in accordance with the principles provided in section 8.
- d) The Transmission System Operator with System Responsibility shall have continuous access to metering results in relation to the quantity, quality, pressure and temperature of biogas injected into the network. The purpose of this is to ensure that the Transmission System Operator with System Responsibility can maintain the stable and supply secure operation of the Transmission Network and perform balance settlement. Access to measurement data shall apply to physical Entry and Exit Points, Biogas Entry Points, LNG Entry Points, Transmission Network End User Metering Sites and each Interconnection and Connection Point ('citygate') connected to the Transmission Network.

10.5 Verification and calibration of the Gas Measurement System of the Transmission Network

- a) The accuracy of the Gas Measurement System in metering quantity and quality at the Transmission Network's physical Entry and Exit Points, Transmission Network End User Metering Sites, Transmission Network Biogas Entry Points, Transmission Network LNG Entry Points and each Connection Point ('citygate') shall be verified by the Participant responsible for the Gas Measurement System in accordance with the Gas Measurement Recommendations of the Transmission System Operator with System Responsibility. The maximum permissible errors for gas measuring instruments are determined in the Gas Measurement Recommendations.

- b) The measurement and analysis instruments of the Gas Measurement System shall be calibrated as possible by an independent inspector.
- c) A Shipper, Transmission Network End User, Biogas Injecting Party, LNG system operator, or Distribution System Operator may at any time ask the Transmission System Operator with System Responsibility (the Gas Measurement System at a physical Entry or Exit Point, Transmission Network Biogas Entry Point, Transmission Network LNG Entry Points, Transmission Network End User Metering Site or Connection Point ('citygate') to verify the Gas Measurement System if the Participant in question can prove such verification is necessary and justified.
In such a case, the verification shall take place as soon as possible after receipt of the request. If the verification shows that the Gas Measurement System meets the requirements set by the Gas Measurement Recommendations, the Participant that requested the verification shall pay the costs of the verification. Otherwise, the Transmission System Operator with System Responsibility (or other Participant responsible for the measurements in question) shall pay the costs.
- d) Upon the request of a Shipper, Transmission Network End User, Biogas Injecting Party, LNG system operator or Distribution System Operator, the Transmission System Operator with System Responsibility shall inform the Participant of the current calibration and control plans for the Gas Measurement System at the Transmission Network's physical Entry and Exit Points, Transmission Network End User Metering Sites, Transmission Network Biogas Entry Points, Transmission Network LNG Entry Points and Connection Points ('citygates') provided that the Participant can document that access to such information is necessary and justifiable.
- e) Participants affected by the result of the verification of a Gas Measurement System shall have the right to be present when verification is performed.
- f) Upon request of one or more Participants, the Transmission System Operator with System Responsibility shall send either a verification report or a calibration certificate after verification or calibration. The result of such verification or calibration shall be binding on the Participants.

10.6 Handling of incorrect measurement data in the Gas Measurement System of the Transmission Network

- a) If a part of a Gas Measurement System at the Transmission Network's physical Entry or Exit Point, Transmission Network End User Metering Site, Biogas Entry Point, LNG Entry Points or Connection Point ('citygate') does not meter correctly, is out of operation or if the transfer of measurement data is incomplete (see section d) d), the Transmission System Operator with System Responsibility shall be responsible for correcting the errors.
- b) The quantity and quality of gas having passed through the Gas Measurement System while the system was not metering correctly or was out of operation or while data transfers were incomplete shall be determined on the basis of that or those of the following methods which, in view of the circumstances, is/are regarded by the Transmission System Operator with System Responsibility to provide the most accurate result:
 - i) measuring points on the basis of flowmeter or volume corrector readings;
 - ii) calibration test or calculation;
 - iii) an evaluation of amounts delivered or quality under similar operating conditions while the Gas Measurement System was metered correctly or the measurement data transfers were correct; and
 - iv) on the basis of metering using another Gas Measurement System if that system meters correctly.

December 1, 2020

- c) If the period in which the Gas Measurement System was not metering correctly or was out of operation or in which measurement data transfers were incomplete cannot be determined, the error or fault shall be regarded as having continued for two weeks at the level found.
- d) The quantity of gas calculated in accordance with sections d) b) and c) shall be used as the basis for invoicing in the Exit Zone. If invoicing has already taken place, the invoice shall be adjusted subsequently in connection with the next Correction or, in an Exceptional Situation, in connection with an Extraordinary Correction.
- e) If a Shipper, Transmission Network End User, Biogas Injecting Party, LNG system operator or Distribution System Operator suspects that a Gas Measurement System has not been metering correctly or has been out of operation or that measurement data transfers have been incomplete, the Participant shall contact the Transmission System Operator with System Responsibility in writing without undue delay.
- f) The Transmission System Operator with System Responsibility shall not be responsible for incorrect metering or measurement data processing errors originating from Gas Measurement Systems of adjacent Gas Systems.

10.7 Handling of incorrect measurement data in the Distribution System Operators' Gas Measurement Systems

- a) Incorrect metering occurring in Distribution System Operators' Gas Measurement Systems at Distribution Network End User Metering Sites or Biogas Entry Points and errors in a Distribution System Operator's measurement data due to measurement equipment failure, data transfer errors or incorrect handling of changes of seller etc. shall be governed by the Cooperation Agreement between the Transmission System Operator with System Responsibility and Distribution System Operators, the Gas Transmission Rules and the Biogas Rules.
- b) Measurement data submitted by Distribution System Operators to the Transmission System Operator with System Responsibility shall be used as a basis for invoicing Shippers in the Transmission Network. If the Transmission System Operator with System Responsibility has already issued the monthly invoice to a Shipper before corrected measurement data is obtained, the Shipper shall be sent a correcting invoice in connection with the 1st and/or 2nd Correction and, in an Exceptional Situation, in connection with an Extraordinary Correction.
- c) If a Shipper, Retailer, Biogas Injecting Party, LNG system operator or Distribution Network End User suspects that a Distribution System Operator's Gas Measurement System has not metered correctly or has been out of operation or that measurement data transfer errors or incorrect handling has occurred in connection with a change of seller or Delivery Relationship etc., the Participant in question shall contact the Distribution System Operator in question about the matter without undue delay. The Distribution System Operator shall be responsible for any necessary corrections of measurement data and for sending the corrected data to the necessary Participants.

The Transmission System Operator with System Responsibility shall not be responsible for incorrect metering on the part of Distribution System Operators if an error originates from a Gas Measurement System, for the verification of which a Distribution System Operator is responsible, that has not metered correctly or has been out of operation or from a Distribution System Operator's measurement data transfer error or incorrect handling of a process to change a seller.

11 Delivery conditions

11.1 Delivery conditions for the Virtual Trading Point and the Entry and Exit Points

At the Virtual Trading Point, daily quantities of gas corresponding to accepted Trade Notifications shall be regarded as delivered. At the Entry and Exit Points, the hourly quantities of natural gas corresponding to Confirmed Nominations shall be regarded as having been delivered.

11.2 Delivery terms for the Biogas Entry Points and LNG Entry Points

11.2.1 Obligation of the Transmission System Operator with System Responsibility to receive at the Biogas Entry Points and LNG Virtual Entry Points

Each hour, the Transmission System Operator with System Responsibility shall receive the quantity of gas allocated for the hour in question at the Shipper's Biogas Entry Points.

The Shipper's delivery at the Biogas Entry Points may not exceed the maximum total quantity calculated for the Shipper's Capacity Agreements concerning the Biogas Virtual Entry Point.

Each hour, the Transmission System Operator with System Responsibility shall receive the quantity of gas allocated for the hour in question at the Shipper's LNG Entry Points.

The Shipper's delivery at the LNG Entry Points may not exceed the maximum total quantity calculated for the Shipper's Capacity Agreements concerning the LNG Virtual Entry Point.

11.3 Conditions concerning the Exit Zone

11.3.1 Contractual responsibility of the Transmission System Operator with System Responsibility for gas transmission in the Exit Zone

The Transmission System Operator with System Responsibility shall transmit to each Distribution Network or Transmission Network End User Metering Site for the Shipper the quantity of gas indicated by the Allocation for the Distribution Network or Transmission Network End User Metering Site. The quantity may not, however, exceed the maximum total quantity calculated for the Shipper's Capacity Agreements concerning the Exit Zone.

The Transmission System Operator with System Responsibility shall not be obliged to transmit a quantity of gas the hourly transmitted quantity of which would exceed the technical capacity announced by the Transmission System Operator with System Responsibility or the Distribution System Operator.

11.3.2 Shipper's offtake in the Exit Zone

A Shipper's total offtake in Distribution Networks and at Transmission Network End User Metering Sites shall not exceed the maximum total quantity calculated for the Shipper's Capacity Agreements collectively concerning the Exit Zone.

12 Repair and maintenance

12.1 Repair and maintenance

- a) The Transmission System Operator with System Responsibility shall have the right in compelling circumstances (unplanned interruptions) to temporarily interrupt or restrict the transmission of gas if necessary to perform an inspection, repair, maintenance, alteration or other corresponding measure on equipment needed for gas transmission. The Transmission System Operator with System Responsibility shall be released in full or in part from its obligations under section b) above to receive and transmit natural gas to the extent necessary to perform above-mentioned measures. The Transmission System Operator with System Responsibility shall take the needs of Protected Metering Sites into account when planning repair and maintenance.
- b) The Transmission System Operator with System Responsibility shall publish planned interruptions at least 42 days in advance. As regards planned interruptions, the Transmission System Operator with System Responsibility shall negotiate as early as possible about the interruption with the Participants affected by the interruption and seek to schedule the measures necessary taking Participants' needs into account. The Transmission System Operator with System Responsibility shall to the extent necessary coordinate the measures with Distribution System Operators.
- c) Once each calendar year, the Transmission System Operator with System Responsibility shall provide information about the periods scheduled for repair and maintenance in the following 12-month period.
- d) The Transmission System Operator with System Responsibility shall provide information about interruptions to System Operators and directly to all Shippers, Traders and Transmission Network End Users as well Biogas Injecting Parties connected to the Transmission Network.

13 Restricted Capacity

If technical or operational matters result in temporarily restricted Capacity in all or part of the Transmission Network, the Transmission System Operator with System Responsibility shall without delay notify all Shippers and Traders about reduced Capacity.

Having issued a reduced Capacity notice, the Transmission System Operator with System Responsibility shall have the right to order Shippers to reduce firm Capacity reserved by them on pro rata basis or interrupt deliveries and offtakes in the Gas System for as long as Capacity is restricted in all or part of the Transmission System. The Shippers shall ensure from the Transmission Network End Users that they comply with the order and, indirectly via their Retailers, that the Distribution Network End Users comply with the order.

The Transmission System Operator with System Responsibility shall distribute the part of the Capacity available among the affected Shippers and other Participants as follows:

- a) Interruptible Capacity shall be restricted before firm Capacity. Deliveries to non-protected End User Metering Sites shall be restricted before deliveries to Protected Metering Sites.
- b) Efforts shall be made to minimize impacts on Consumers so that there will be no interruptions to the supply of gas.

The Transmission System Operator with System Responsibility shall compensate to Shippers for restrictions on firm Capacity products in accordance with section 7.

If a Shipper or its Transmission Network or Distribution Network End Users do not comply with an order of the Transmission System Operator with System Responsibility to restrict or interrupt natural gas delivery or offtake, the Shipper shall pay the excess capacity charge in accordance with section 0 for natural gas quantities exceeding the order of the Transmission System Operator with System Responsibility.

14 Force majeure

14.1 General

Force majeure shall mean extraordinary circumstances arising after the signing of the Agreements (Capacity Agreements and the Shipper and Trader Framework Agreement) and being outside the control of the Party in question provided that the Party has exercised due care. Such extraordinary circumstances could not be reasonably taken into consideration when the Agreement was concluded and they, during their existence or thereafter, prevent or considerably hinder the performance of the obligations under the Agreement and such hindrance cannot be reasonably prevented or eliminated or this would be economically unreasonable.

Force majeure may be attributable for causes such as the following:

a fire, explosion, flood, earthquake, government order, war or mobilization, unforeseen large-scale military call-up, confiscation, import ban, force majeure experienced by a foreign natural gas supplier, restrictions in access to power, general shortage of raw materials or supplies, leak in a natural gas pipeline, strike, labor dispute or other circumstance beyond the Parties' control.

Lack of funds is not force majeure.

14.2 General consequences of Force Majeure

If a Party is unable either in full or in part to fulfil its obligations under one or more of the Agreements (Capacity Agreements and the Shipper and Trader Framework Agreement) due to force majeure, fulfilment of the obligations resting on the Party in question under the relevant Agreement(s) shall be suspended for as long as and to the extent that the impediment exists provided that the Party affected promptly notifies the other Parties of such force majeure by telephone or email and within a reasonable period of time reports in writing to the other Parties on the specific details and expected duration of the force majeure situation.

The Party claiming force majeure shall seek to resume the fulfilment of its obligations as soon as can reasonably be demanded provided that this can be done without incurring disproportionately high costs.

14.3 Information

In the event of force majeure, the Transmission System Operator with System Responsibility shall inform the relevant Participants (Shipper, Trader, Balance Responsible Party, Distribution System Operator, Transmission Network End User, Biogas Injecting Party) of the situation and of how and to what extent the supply of natural gas will be affected. The Transmission System Operator with System Responsibility shall use its best efforts to inform Participants before any interruption or restriction of supply.

Shippers affected by Force Majeure shall in accordance with section 14.2 promptly notify the Transmission System Operator with System Responsibility of such event by telephone or email and, in addition, within a reasonable period of time report in writing on the specific details and the expected duration of the force majeure situation.

14.4 Force majeure of the Transmission System Operator with System Responsibility

The Shippers shall continue the fulfilment of their obligations in accordance with section 17.8 for as long as the Transmission System Operator with System Responsibility fulfils the obligations concerning the transmission service reserved by the Shippers in a force majeure situation.

If the Transmission System Operator with System Responsibility is unable to fulfil its obligations in accordance with a given Capacity Agreement due to force majeure, the Capacity Charge payable by the Shipper with regard to such Capacity shall be reduced correspondingly for such period. The Shipper's payment obligations in accordance with sections 17–0 shall be suspended.

The Transmission System Operator with System Responsibility shall, in the event of a force majeure situation, have the right to restrict the balancing service or discontinue it full.

14.5 Shipper's force majeure

A Shipper's payment obligations in accordance with sections 17–0 shall be suspended:

- a) if, as a consequence of force majeure, the Shipper is unable to offtake the quantities transmitted under the relevant Capacity Agreement for a period of time and the Shipper or its Counterparty at the Entry Point is unable to cease the deliveries at the Entry Point in the same period; or
- b) if, for a period of time, as a consequence of force majeure, the Shipper or its Counterparty at the Entry Point is unable to deliver the natural gas quantities stipulated in the Capacity Agreement, and the Shipper is unable to cease the offtake in the same period.

14.6 Extended force majeure

If force majeure or repeated force majeure situations are expected to impede in full or in part the fulfilment of a Party's (Transmission System Operator with System Responsibility and Shipper or Trader) obligations for a period of more than sixty (60) Business Days, the Parties shall seek a negotiated solution acceptable to the Parties. If the Parties are unable to agree on a solution within thirty (30) Business Days after a request has been made for a negotiated solution, the Party or Parties having claimed force majeure are entitled to terminate the Agreements (Capacity Agreements and/or the Shipper and Trader Framework Agreement) affected by the force majeure situation.

15 Security of supply

The Transmission System Operator with System Responsibility shall be responsible for the security of supply in the Gas System. The Transmission System Operator with System Responsibility shall control the supply of gas in the Gas Market in order to minimize the adverse effects of any supply disturbance. In emergency situations, the transmission, distribution and deliveries of gas may be regulated by the authorities. The Transmission System Operator with System Responsibility may declare the Early Warning level and the competent authority may declare the Alert or Emergency level in accordance with Security of Gas Supply Regulation, after which the Transmission System Operator with System Responsibility shall activate the crisis level depending on the supply situation.

The crisis levels have been determined as follows:

- Early Warning level (Early Warning): when there is concrete, serious and reliable information that an event may occur which is likely to result in significant deterioration of the supply situation and is likely to lead to the Alert or the Emergency Level being triggered;
- Alert Level (Alert): when a supply disruption or exceptionally high gas demand occurs which results in significant deterioration of the supply situation, but the market is still able to manage that disruption or demand without the need to resort to non-market measures,
- Emergency Level (Emergency): in the event of exceptionally high gas demand, significant supply disruption or other significant deterioration of the supply situation and in the event that all relevant market measures have been implemented but the supply of gas is insufficient to meet the remaining gas demand so that non-market measures have to be additionally introduced with a view, in particular, to safeguarding supplies of gas to protected customers.

Prior to the activation of each of the crisis levels, the Transmission System Operator with System Responsibility shall inform the Shippers and other relevant players, including operators of the adjacent systems, about the supply situation (including information about Capacities available or restricted in the Transmission System) as soon as the Transmission System Operator with System Responsibility has relevant information. The Transmission System Operator with System Responsibility shall update the information at regular intervals during the three crisis levels.

Measures relating to security of supply shall be taken in accordance with the valid document concerning plans for the prevention of natural gas operational reliability risks and measures taken in response to supply disruptions (*Suunnitelmat maakaasun toimitusvarmuuden riskien ennaltaehkäisemisestä ja toimista toimitushäiriötilanteissa*).

15.1 Emergency

15.1.1 Rights and obligations of the Transmission System Operator with System Responsibility

If, as a result of Emergency, the Transmission System Operator with System Responsibility is unable to fulfil its obligations, in full or in part, in relation to a Shipper's Capacity Agreement, the fulfilment of the obligations resting on the Transmission System Operator with System Responsibility shall be suspended for as long as and to the extent Emergency continues.

In the event of Emergency, imbalances shall not be allowed unless otherwise instructed by the Transmission System Operator with System Responsibility.

December 1, 2020

If authorized by the competent authority, the Transmission System Operator with System Responsibility shall have the right to give direct instructions concerning the restriction of Capacity at Entry and Exit Points and in the Exit Zone, about controlling deliveries and about Trade Notifications at the Virtual Trading Point and about trading on a gas exchange. If a Shipper or Trader fails to comply with the instructions provided by the Transmission System Operator with System Responsibility, the competent authority may authorize the Transmission System Operator with System Responsibility to exclude the Shipper or Trader from the Gas Market.

15.1.2 Shipper's and Trader's obligations

In the event of an Emergency, Shippers and Traders shall:

- a) continue to deliver natural gas to the Finnish Gas System at Entry Points, Biogas Entry Points and the Virtual Trading Point;
- b) inform the Transmission System Operator with System Responsibility immediately if an event occurs materially affecting the Shipper's or Trader's ability to deliver gas at Entry and Exit Points, Biogas Entry Points, the Virtual Trading Point or a gas exchange; and
- c) comply with these Gas Transmission Rules unless otherwise instructed by a competent authority,

In the event of an Emergency, Shippers may be obliged by an order of the Transmission System Operator with System Responsibility to provide forecasts of end use (to the extent required) in the Exit Zone to provide the Transmission System Operator with System Responsibility with the best possible information about the expected offtake despite the fact that the Transmission System Operator with System Responsibility in Emergency may undertake, upon an order of the competent authority, to supply the Transmission Network End User Metering Sites and the Shippers' Retailers' customers, cf. section c).

Any quantities delivered by a Shipper in the Finnish Gas System shall be allocated to the Shipper's Balance Group's balance. If all consumption within the Exit Zone belonging to the Balance Group cannot be covered by the deliveries of Shippers belonging to the Balance Group, the Transmission System Operator with System Responsibility shall deliver the remaining as balance gas with the price of imbalance charge. By delivering Natural Gas to the Exit Zone, Shippers reduce the quantities delivered by the Transmission System Operator with System Responsibility and shall therefore not be invoiced by the Transmission System Operator with System Responsibility for these quantities. Any gas delivered by Shippers may be used for transit in accordance with section 15.1.3 or will be purchased by the Transmission System Operator with System Responsibility in accordance with section 17.5.

15.1.3 Transit

Transit of gas may continue during an Emergency within the limits set by security of supply, always provided that:

- a) the Shipper makes gas available in the Exit Zone and the Virtual Trading Point. the quantities made available by the Shipper shall at least correspond to quantities of gas offtaken by the Transmission Network End User Metering Sites and Retailers in a Delivery Relationship with the Shipper;
- b) the Balance Responsible Shippers and Traders shall balance their Balance Group's deliveries and offtakes; and
- c) the Transmission System Operator with System Responsibility shall be able to transmit the Shipper's gas in the Transmission Network. If the Transmission System Operator with System Responsibility is not able to transmit the Shipper's quantities of gas, the Transmission System Operator with System Responsibility shall pay for them in accordance with section 17.5.

15.2 Collaboration

During Emergency, all parties shall collaborate with the competent authority and the Transmission System Operator with System Responsibility to ensure that the Finnish Gas Market is affected as little as possible and that the supply of gas is maintained to a reasonable extent.

15.3 Protected and non-protected Metering Sites

The Transmission System Operator with System Responsibility shall publish annually on its website a list of the Protected Metering Sites for the following year.

During an Emergency, the supply of natural gas to non-protected Metering Sites shall be interrupted in full or in part if this is regarded as necessary by the competent authority.

16 Quality requirements

16.1 Quality requirements

The Shippers shall ensure that the quality of gas injected into the Transmission Network at Entry Points complies with the quality requirements provided in Appendix 1. Biogas injected into the network shall be compliant with the requirements of the EN 16723-1 standard.

The Transmission System Operator with System Responsibility shall ensure that the quality of natural gas delivered to Shippers in the Transmission Network complies with the requirements provided in Appendix 1. The quality of natural gas shall be compliant with the requirements of the EN 16726 standard.

The Distribution System Operator shall be responsible for the fulfilment of the quality, pressure and temperature requirements set for gas delivered to Distribution Network End Users in the Distribution Network.

16.2 Quality nonconformities at Entry Points

If a Shipper is informed of or detects that gas made available by the Shipper for delivery at a Transmission Network Entry Point may possibly not meet the quality requirements set, the Shipper shall notify the Transmission System Operator with System Responsibility of this immediately and include in the notification details of the expected extent, nature and duration of the quality nonconformity and any other significant information.

If gas made available by a Shipper for delivery at a Transmission Network Entry Point does not meet or is not expected to meet quality requirements, the Transmission System Operator with System Responsibility shall have the right to refuse without advance notice in full or in part to receive and transmit the gas. Gas transmission may commence once the gas has been verified to meet the quality requirements set.

As regards those hours or Gas Days during which the Transmission System Operator with System Responsibility refuses in full or in part to receive and transmit a quantity of gas, an amount corresponding to the rejected quantity of gas shall be deducted from the Shipper's possible Nominations (and Allocations if based on Nominations) at the Entry Point in question.

16.3 Quality nonconformities at Exit Points

If gas intended for transfer to a Shipper at an Exit Point of the Transmission System of the Transmission System Operator with System Responsibility deviates from the quality requirements set, the Shipper shall have the right to refuse to receive the quantity of gas of nonconforming quality and the Participants shall negotiate about compensation for damage.

16.4 Quality deviation in the Transmission Network Exit Zone

If gas transferred by the Transmission System Operator with System Responsibility to the Transmission Network Exit Zone does not meet the quality requirements, the shipper has the right to refuse to accept gas which quality is deviating from its quality requirements. In this case, as well as, if a Shipper's Transmission Network End User Metering Sites offtake such gas from the network, the Participants shall negotiate about compensation for damage.

17 Charges and compensations

17.1 Capacity Charges and Commodity Charges in the Transmission Network

A Shipper shall pay a Capacity Charge for firm and interruptible Capacity as well as a Commodity Charge for amounts of gas transmitted in accordance with a Capacity Agreement.

17.2 Nomination imbalance charge

- i) Exit Zone (only in situations where Nominations are required in the Exit Zone)

If a Shipper's total offtake in the Exit Zone in the Gas Day deviates by more than the percentage authorized by the Transmission System Operator with System Responsibility from the total quantity of natural gas stipulated for all hours of the Gas Day in all of the Shipper's Confirmed Nominations in the Exit Zone, the Shipper shall pay a Nomination imbalance charge.

The Transmission System Operator with System Responsibility may, in an Exceptional Situation for a justifiable reason, reduce the above-mentioned percentages concerning permitted deviation and replace the tolerances for the Gas Day and the Exit Zone with a specific tolerance for each hour and each Point.

- ii) Biogas Virtual Entry Point (only in situations where Nominations are required for the Biogas Virtual Entry Point)

If a Shipper's total delivery at the Biogas Virtual Entry Point in the Gas Day deviates by more than the percentage authorized by the Transmission System Operator with System Responsibility from the total quantity of natural gas stipulated for all hours of the Gas Day in all of the Shipper's Confirmed Nominations at the Biogas Virtual Entry Point, the Shipper shall pay a Nomination imbalance charge.

The Transmission System Operator with System Responsibility may, if it deems it necessary, reduce the above-mentioned percentages concerning permitted deviation and replace the tolerances for the Gas Day with a specific tolerance for each hour and/or for each Biogas Entry Point.

- iii) Downward Renomination in the Balticconnector

A Shipper may renominate downward in the Balticconnector free of charge up to the amount, given in the up-to-date Price List of the Transmission System Operator with System Responsibility, of its highest Confirmed Nomination for the Gas Day. For amounts exceeding this limit, the Shipper shall pay the Nomination imbalance charge in accordance with the up-to-date Price List of the Transmission System Operator with System Responsibility. The charge shall apply only to those Gas Days on which the Balticconnector has been congested.

17.3 Excess capacity charge

If a Shipper's offtake from the network according to the results of the final balance settlement exceeds the percentage of specified in the tariff for the Shipper's total Capacity for each Gas Day in the Exit Zone or the Biogas Virtual Trading Point, the Shipper shall pay an excess capacity charge.

The Transmission System Operator with System Responsibility may, in an Exceptional Situation, apply the excess capacity charges also to hourly excess Capacity. The introduction of any hourly excess capacity charges shall be justified.

In the event of an Alert or Emergency, the Transmission System Operator with System Responsibility shall have the right to apply increased excess capacity charges and remove the percentages applied to excess capacity charges.

17.4 Daily imbalance charge

A Balance Responsible Shipper and Trader shall pay the charge or have the right to receive compensation for any daily imbalance quantity of its Balance Group for each Gas Day depending on the direction (positive/negative) of the imbalance. The Transmission System Operator with System Responsibility shall calculate the daily imbalance quantity for the Gas Day for each Balance Group as follows: $\text{daily imbalance quantity} = \text{deliveries} - \text{offtakes}$.

The daily imbalance charges of a Balance Group shall be calculated by multiplying the Balance Group's daily imbalance quantity by the applicable price of balance gas. The daily imbalance quantity shall be based on the results of the final balance settlement.

The direction of the daily imbalance charge shall be determined as follows:

- a. if the Balance Group's daily imbalance quantity for the Gas Day is positive then the Balance Responsible Party shall be deemed to have sold a quantity of gas to the Transmission System Operator with System Responsibility equivalent to the daily imbalance quantity and therefore shall be entitled to receive compensation for the daily imbalance quantity; and
- b. if the Balance Group's daily imbalance quantity is negative, the Balance Responsible Party is deemed to have purchased a quantity of gas from the Transmission System Operator with System Responsibility equivalent to the daily imbalance quantity and shall therefore be obliged to pay a charge to the Transmission System Operator with System Responsibility.

17.4.1 Grounds for determining the price of balance gas

The daily Imbalance Charge shall be cost reflective and shall take account of the prices associated with the Transmission System Operator's balancing actions, if any, and of the adjustment.

The applicable price for the daily Imbalance Charge shall be determined as follows:

- a) Marginal Sell Price where the daily imbalance quantity is positive (i.e. the network user's inputs for that Gas Day exceed its offtakes for that Gas Day); or
- b) Marginal Buy Price where the daily imbalance quantity is negative (i.e. the network user's offtakes for that gas day exceed its inputs for that gas day).

The Transmission System Operator with System Responsibility shall update the estimated imbalance status of the system in the portal for the balance responsible parties during each gas delivery day on an hourly basis. When the estimated imbalance status of the system is green, the Transmission System Operator with System Responsibility shall not trade on the gas exchange or place intraday orders under balancing service agreements. If the system's estimated imbalance status is yellow, the Transmission System Operator with System Responsibility may trade on the gas exchange and place within-day orders with balancing service agreements.

If the Transmission System Operator with System Responsibility has not traded on the gas exchange or placed within-day orders on balancing service agreements during the gas delivery date, the price of the daily imbalance charge fee for the balance group shall be the adjusted neutral gas price.

December 1, 2020

If Gasgrid Finland trades on the gas exchange or makes within-day orders under balancing agreements during the Gas Day, the price of the Balance Group's daily Imbalance Charge shall be determined either:

- a) volume weighted average on the basis of the executed within-day product trade price (buy and/or sell) of Gasgrid Finland on the gas exchange,
- b) the price (buy and/or sell) of the within-day order made by Gasgrid Finland under a balancing service agreement, or
- c) the adjusted Neutral Gas Price. Adjusted neutral gas price when the transmission system operator purchases an amount of gas corresponding the imbalance of the balance responsible party: Neutral gas price minus 10% of the neutral gas price. Adjusted neutral gas price when the transmission system operator sells an amount of gas corresponding to the imbalance of the balance responsible party: Neutral gas price plus 10% of the neutral gas price.

In the event that a Balance Group's daily imbalance quantity for a Gas Day is positive and the forecast imbalance for the system was positive when the Transmission System Operator with System Responsibility traded on the gas exchange or made a within-day order under balancing service agreements for balancing purposes, the price of the Balance Group's Imbalance Charge shall be the lowest of the above-specified prices.

In the event that a Balance Group's daily imbalance quantity for a Gas Day is negative and the forecast imbalance for the system was negative when the Transmission System Operator with System Responsibility traded on the gas exchange or made a within-day order under balancing service agreements for balancing purposes, the price of the Balance Group's Imbalance Charge shall be the highest of the above-specified prices.

In the event that the forecast imbalance for the system was both positive and negative for the same Gas Day and the Transmission System Operator with System Responsibility traded on the gas exchange or made a within-day order under a balancing service agreement during the Gas Day for balancing purposes, the price of the Imbalance Charge shall be the lowest of the above-specified prices when the Balance Group's daily imbalance is positive. Correspondingly, the price of the Imbalance Charge shall be the highest of the above-specified prices when the Balance Group's daily imbalance is negative.

In the event that a Balance Group's daily imbalance quantity for a Gas Day is positive and the forecast imbalance for the system was negative when the Transmission System Operator with System Responsibility traded on the gas exchange or made a within-day order under a balancing service agreement for balancing purposes, the price of the Imbalance Charge shall be the adjusted Neutral Gas Price. In the event that a Balance Group's daily imbalance quantity for a Gas Day is negative and the forecast imbalance for the system was positive when the Transmission System Operator with System Responsibility traded on the gas exchange or made a within-day order under a balancing service agreement for balancing purposes, the price of the Imbalance Charge shall be the adjusted Neutral Gas Price.

After the Competent Authority has declared that the crisis level of a security of gas supply regulation is in force, the Transmission System Operator with System Responsibility may, under the authorisation of the Competent Authority, impose balancing gas pricing in another way.

17.4.2 Determination of adjusted Neutral Gas Price

If the Balance Responsible Party's daily imbalance quantity is positive, i.e. the Balance Responsible Party's inputs for that Gas Day exceed its offtakes for that Gas Day, the adjusted Neutral Gas Price applicable for that Gas Day shall be the Neutral Gas Price minus the Neutral Gas Price multiplied by the Adjustment Step.

If the Balance Responsible Party's daily imbalance quantity is negative, i.e. the Balance Responsible Party's offtakes for that Gas Day exceed its inputs for that Gas Day, the adjusted Neutral Gas Price applicable for that Gas Day shall be the Neutral Gas Price plus the Neutral Gas Price multiplied by the Adjustment Step.

17.5 Charges in a prevailing Emergency situation

The following shall apply in a situation where the Transmission System Operator with System Responsibility has, upon an order of the competent authority, undertaken to supply gas to the Transmission Network End User Metering Sites and Retailers or for Transit:

- When Shippers, acting pursuant to section 0 or c), deliver gas to the Transmission System Operator with System Responsibility at an Entry Point, Biogas Entry Point or via the Virtual Entry Point, the Transmission System Operator with System Responsibility shall pay the Shippers for such delivered quantities of gas a price to be agreed separately.
- The Transmission System Operator with System Responsibility shall reimburse the Shippers reasonable, documentable and direct costs of purchasing gas quantities that have been injected into the system for the Shippers but that the Transmission System Operator with System Responsibility has not been able to deliver further to Transmission Network End User Metering Sites or Retailers in accordance with section 0 or for transit in accordance with section c) , the Transmission System Operator with System Responsibility shall compensate the Shippers also for such costs.

17.6 Capacity right transfer charges

Both Shippers taking part in a Capacity Transfer shall pay a charge for the Capacity Transfer. The amount of the charge is specified in the up-to-date Price List of the Transmission System Operator with System Responsibility.

17.7 Charges during Capacity restrictions

In the event that the Transmission System Operator with System Responsibility is unable to fulfil its obligations concerning firm Capacity products contained in Capacity Agreements in full or in part due to Capacity restrictions, the Capacity Charges for firm Capacity products relating to a Shipper's Capacity Agreements shall be reduced correspondingly either in full or in part for the period in question.

As regards the Balticconnector, the Transmission System Operator with System Responsibility shall compensate for direct costs to those Shippers registered in the Finnish system whose Nominations for the Balticconnector have already been confirmed but whose Nominations have had to have been reduced following acceptance due to a reason attributable to the Transmission System Operator with System Responsibility. In such cases, direct costs shall a Shipper's costs incurred because of undelivered gas due to imbalance insofar as the Transmission System Operator with System Responsibility did not deliver the gas quantities in accordance with the Confirmed Nominations. The Transmission System Operator with System Responsibility shall not compensate for Shippers' costs in situations where Shippers' Confirmed Nominations are reduced due to a reason attributable to the Transmission System Operator of an adjacent system.

17.8 Adjustment of charges and compensations

The price list shall be published on the website of the Transmission System Operator with System Responsibility no later than a month before any changes take effect.

The Transmission System Operator with System Responsibility shall have the right for a justifiable reason to review the price list during its period of validity.

18 Invoicing

18.1 Invoicing of Shipper's Capacity

18.1.1 Annual, Quarterly and Monthly Capacity

Fixed charges relating to Capacity Agreements concluded by a Shipper shall be invoiced monthly in advance as regards Annual, Quarterly and Monthly Capacity Products in accordance with section 16.4.

18.1.2 Daily and Within-Day Capacity

Each month the Transmission System Operator with System Responsibility shall send an invoice to the Shipper for Daily and Within-day Capacity in the Transmission Network for the preceding month to the extent such Capacity has not yet been invoiced and such Capacity shall be paid in accordance with section 17.1.

18.2 Monthly invoicing of Shippers and Balance Responsible Parties

The Transmission System Operator with System Responsibility shall invoice or compensate Shippers and Balance Responsible Parties monthly for the following events of the preceding month:

Commodity charge

- a) the commodity charge for Capacity use for the month in question that the Shipper shall pay in accordance with section 16.4;

Nomination imbalance charge

- b) daily quantities of gas (kWh) for which a nomination imbalance charge shall be paid in accordance with section 17;

Excess capacity charge

- c) daily quantities of gas (kWh) for which an excess capacity charge shall be paid in the Exit Zone accordance with section 0;

Daily imbalance charge to Balance Responsible Shipper or Trader

- d) daily quantities of gas (kWh) for which a daily imbalance charge is payable to the Transmission System Operator with System Responsibility, a Balance Responsible Shipper or Balance Responsible Trader in accordance with section 0;

Natural gas quantities delivered in the event of Emergency and force majeure

- e) quantities of gas delivered by a Shipper to the Transmission System Operator with System Responsibility during an Emergency or force majeure situation but which the Transmission System Operator with System Responsibility has been unable to deliver further to the Shipper's Transmission Network End Users and Retailers' customers (kWh) for which the Transmission System Operator with System Responsibility shall pay in accordance with section 17.5;
- f) quantities of gas that the Transmission System Operator with System Responsibility has delivered to the Shippers' Transmission Network End Users and Retailers' customers during an Emergency or force majeure situation (kWh) for which the Shipper shall pay to the Transmission System Operator with System Responsibility in accordance with section 17.5;

Charges in connection with Capacity Transfers

- g) Capacity Transfer charges for Shippers in accordance with section 0;

Statement of total payment to be made

- h) a statement of all prices relating to the monthly invoice, the quantities of gas and the amount to be paid or compensated (EUR) that a Shipper or Balance Responsible Trader shall pay to the Transmission System Operator with System Responsibility or for which the Transmission System Operator with System Responsibility shall compensate the Shipper or Balance Responsible Trader.

18.2.1 Invoices relating to the First and Second Correction

After the First Correction round for correcting balance errors (approximately three months after the delivery month), the Transmission System Operator with System Responsibility shall send the Shipper and/or Balance Responsible Trader a credit note or an additional invoice containing information about corrections to the invoiced information in accordance with sections 18.2. a) to g).

After the Second Correction round for correcting balance errors (in April of the calendar year following the delivery month), the Transmission System Operator with System Responsibility shall send the Shipper and/or Balance Responsible Trader a credit note or an additional invoice for the entire preceding calendar year containing information about corrections to the invoiced information in accordance with sections 18.2. a) to g).

18.2.2 Invoices related to extraordinary corrections

In an Extraordinary Situation, in addition to invoices relating to the First and Second Correction, the Transmission System Operator with System Responsibility may send a Shipper and/or Balance Responsible Trader a credit note/additional invoice containing information about extraordinary corrections to the invoiced information in accordance with sections 18.2. a) to g).

19 General terms and conditions

19.1 Non-disclosure

Unless otherwise stated in mutual cooperation procedures of the Distribution System Operators and the Transmission System Operator with System Responsibility, these Gas Transmission Rules, the Gas Distribution Rules or legislation, the Transmission System Operator with System Responsibility shall treat the agreements and information provided by Market Participants as confidential. For example, a Shipper's Delivery Relationships shall be information to be kept secret unless otherwise provided in these Gas Transmission Rules.

The Transmission System Operator with System Responsibility shall, however, have the right to publish the following information anonymously:

- a) the number of Capacity Orders;
- b) available Capacity;
- c) total amount of Capacity for which Capacity Agreements have been concluded in the Finnish Gas System;
- d) the number of Shipper Framework Agreements;
- e) the number of Retailer Framework Agreements;
- f) the number of Capacity Agreements;
- g) the number of Shippers; and
- h) the use of the Entry Points, Biogas Entry Points, Virtual Trading Point and Exit Points.

19.2 Passivity

If, at any time, a Party fails to demand the compliance of another Party with the provisions contained in these Rules, this shall not affect the Parties' right to require compliance with such rule at a later stage. Failure by a Party on one or more occasion(s) to assert its rights shall not be taken to mean that it relinquishes its rights in similar or other cases.

Appendix 1. Requirements for natural gas quality and its determination in the Transmission Network

The principles of determining the quality of gas shall be based on the ISO 15112:2011 standard or another method accepted by the supervisory authority.

The quality of gas shall be determined whenever natural gas enters the Transmission Network.

The determination of quality shall include component composition, dew point and H₂S measurement.

The calorific values of natural gas shall be calculated in accordance with the EN ISO-6976 standard.

The validation of gas chromatographs shall, where necessary, take place in accordance with SFS-EN ISO 10723 in conjunction with factory testing by a laboratory accredited in accordance with EN ISO 17025:2005.

In addition to the above, the Transmission System Operator with System Responsibility may also apply the larger-scale determination of natural gas quality based on separate analyses either on a continuous basis or carried out at specific intervals.

The quality requirements set for natural gas injected into the Transmission Network regarding the Wobbe index are based on Common Business Practice 2005–001/01, Harmonisation of Natural Gas Quality, published by EASEE-gas. In other respects, the quality requirements set for natural gas are based on the Finnish national standard SFS-EN 16726 transposing at domestic level the European standard EN 16726 Gas Infrastructure. Quality of gas. Group H and the quality requirements used by the Estonian Transmission System Operator with System Responsibility.

Table 1. Quality requirements for natural gas injected into the Finnish Gas System

Quantity	Unit	minimum	maximum
Wobbe Index	kWh/Nm ³	13.76	15.81
Methane number		65	
Relative density		0.555	0.7
Component composition			
Oxygen	mol%		0.02
Carbon dioxide	mol%		2.5
Sulfur content:			
Hydrogen sulfide + COS	mg/m ³ n		5
Mercaptan sulfur	mg/m ³ n		6
Total sulfur	mg/m ³ n		21
Water dew point at maximum working pressure of Transmission Network	°C		-8
Hydrocarbon dew point in the Transmission Network	°C		-2

The approved injection pressure and temperature as well as the need for odorization shall be specified in cooperation with the Transmission System Operator with System Responsibility.

The technical requirements for all Shippers importing natural gas from the Imatra Entry Point shall be that the pressure of natural gas injected into the Imatra Reception Station shall be 35–54 bar gauge.

The purity of natural gas injected into the natural gas transmission system shall meet the following filtration rates:

- **solid particles sized 1 ... 3 μm** : filtration rate 99%
- **solid particles larger than 3 μm** : filtration rate 100%
- **liquid particles sized 0.5 ... 8 μm** : filtration rate 99.5%
- **liquid particles larger than 8 μm** : filtration rate 100%

The quality of biomethane injected into the natural gas transmission system shall meet the quality requirements set for natural gas where no separate requirements have been determined for biomethane. In addition to these, biomethane shall meet the requirements set by the European standard SFS-EN 16723-1.

If a biomethane production facility planned for connection to the Finnish Gas System is based on a technology other than an anaerobic digestion process, this must be agreed upon with the Transmission System Operator with System Responsibility to verify the network injectability of the biomethane to be injected and agree upon the limit values and analyses for the gas.