

12.06.2020

## **PUBLIC CONSULTATION PAPER**

### **on the business rules and communication procedures in case of exceptional events to the draft Interconnection Agreement for IP Ungheni**

#### **Article 1 - Definitions**

The terms used in this IA shall have the meanings set forth below:

**Interconnection agreement** - agreement concluded in line with art. 3 point 13 of Regulation (EU) No. 459/2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) no. 984/2013 and which is transposed by the provisions of point 60 of the Network Code of the Republic of Moldova, approved by ANRE by Decision no. 420/2019.

**Active TSO** - shall mean one of the adjacent TSOs who receives the single-sided nominations forwarded by the Network User(s). For the purpose of this IA, TRANSGAZ is the Active Transmission System Operator

**Bundled capacity product** shall mean a standard capacity product offered on a firm basis which consists of the corresponding entry and exit capacity at both sides of the IP Ungheni.

**Standard capacity product** shall mean a certain volume of transmission capacity over a given period of time, at a specified interconnection point. The capacity offered shall be expressed in kWh/d. A flat flow rate over the Gas Day is assumed. Parties acknowledge that the reference conditions shall be 0°C for volume and 25°C for default combustion reference temperature.

**Common data exchange solution** means the common data network, data exchange protocols and data formats for the electronic communications.

**Confirmed Quantity** - shall mean the natural gas quantity expressed in kWh (25/0) scheduled for transmission in a certain Gas Day D in the IP, taking into account the quantities nominated for such Gas Day D on both sides of the IP and the matching process performed by the **MSO**.

**Counterparty** means any party with whom any of the Parties exchanges data for the purpose of the implementation of Regulation (EC) No. 715/2009 (and Resolution 421/2019 of the ANRE of the Republic of Moldova), unless specifically otherwise defined in this Agreement.

**Cubic meter V0** is the gas quantity which at the temperature of 0 degrees Celsius (°C) and the absolute pressure of 1.01325 bar, in the absence of water vapours, occupies the volume of one cubic meter (1 m<sup>3</sup>).

**Cubic meter V15** is the gas quantity which at the temperature of 15 degrees Celsius (°C) and the absolute pressure of 1.01325 bar, in the absence of water vapours, occupies the volume of one cubic meter (1 m<sup>3</sup>). For the purpose of this IA, this volume is calculated as per Annex 7.

**Cubic meter V20** is the gas quantity which at the temperature of 20 degrees Celsius (°C) and the absolute pressure of 1.01325 bar, in the absence of water vapours, occupies the volume of one cubic meter (1 m<sup>3</sup>). For the purpose of this IA, this volume is calculated as per Annex 7.

**Daily Balance Position (DBP)** shall mean a quantity calculated on a daily basis, for each Gas Day D of the period of implementation of the **Operational Balancing Account (OBA)** allocation procedure. The calculation of DBP for a specific Gas Day D is performed according to the following formula:

$$DBP^D = TDAQ^D - Q_M^D$$

Where:

$Q_M^D$  – is the metered quantity expressed in kWh, of the physical flow through the IP in the RO-MD or MD-RO direction during the Gas Day D;

$TDAQ^D$  – is the total daily quantity allocated during the Gas Day D;

**Downstream Operator** shall mean the Party physically receiving the natural gas.

**Double Sided Nominations (DSN)** - shall mean delivery nominations submitted by the pair of Network User(s) who have successfully booked unbundled capacity at the IP.

**Exceptional event** means any unplanned event that may cause, for a limited period, capacity reductions, affecting thereby the quantity or quality of gas at interconnection points, with possible consequences on the interactions between the Parties as well as between any Party and its network users;

**Firm capacity** means gas transmission capacity contractually guaranteed as uninterruptible by the transmission system operator;

**Forecasted GCV** shall mean the average GCV, calculated in the GMS Ungheni (for deliveries in the RO-MD and MD-RO direction) by using ISO 6976, on the Gas Day D-2, immediately preceding the Gas Day D-1 on which the matching process for the Gas Day D concerned (D) takes place. The Forecast GCV is expressed in kWh/m<sup>3</sup> (reference combustion temperature 25°C, reference temperature 0°C)

**Gas Day** shall mean the period from 5:00 to 5:00 UTC the following day for winter time and from 4:00 to 4:00 UTC the following day when daylight saving is applied. The reference date of any Gas Day is the date of the calendar day on which the Gas Day begins

**Gas Metering Station Ungheni** (hereinafter referred to as Gas Metering Station or GMS Ungheni): shall mean the border metering station owned by VESTMOLDTRANSGAZ.

The GMS Ungheni has been designed, built and operated in accordance with the design specifications and operating standards and procedures, in accordance with sound and prudent gas industry practice, in accordance with international standards (for example EN and ISO) and in accordance with all laws, rules and regulations of any authority having jurisdiction over it.

The Gas Metering Station Ungheni shall be used for commercial metering and/or determination of the quantity and quality of gas delivered from Romania to the Republic of Moldova and from the Republic of Moldova to Romania.

**Gas quantity expressed in energy units at normal reference conditions (kWh)** shall mean the energy content of a given volume of gas calculated as the product of the gas volume expressed at normal reference conditions ( $t=0^{\circ}\text{C}$ ) without decimals (not rounded), multiplied by the Gross Calorific Value (25/0)), expressed at normal reference conditions, with 6 decimals.

**Gas quantity expressed in energy units at Romanian reference conditions (kWh(15/15))** shall mean the energy content of a given volume of gas calculated as the product of the gas volume expressed at normal reference conditions ( $t=15^{\circ}\text{C}$ ) without decimals (not rounded), multiplied by the Gross Calorific Value (15/15), expressed at normal reference conditions, with 6 decimals.

**Gas quantity expressed in energy units at the Republic of Moldova reference conditions (kWh(25/20))** shall mean the energy content of a given volume of gas calculated as the product of the gas volume expressed at normal reference conditions ( $t=20^{\circ}\text{C}$ ) without decimals (not rounded), multiplied by the Gross Calorific Value (25/20), expressed at normal reference conditions, with 6 decimals

**Gas Year** shall mean the period of time beginning on the first Gas Day of October of the current year and ending in the last Gas Day of September of the following year.

**Gross (Superior) Calorific Value (GCV(25/0)) at Normal Reference Conditions** (provided in the Network Code of the Republic of Moldova, approved by ANRE Resolution 420/2019 as Gross Calorific Value (GCV (25/0)) under reference conditions) shall be calculated for real gas according to ISO 6976 taking into consideration the normal reference conditions and combustion reference temperature of  $25^{\circ}\text{C}$ . The Gross Calorific Value is expressed in  $\text{kWh}/\text{m}^3$ . These data shall be applied between the Parties while performing all duties as stipulated in this IA.

For energy calculation, the GCV in  $\text{kWh}/\text{m}^3$  shall be used with a rounding at 6 decimals, with rounding up if the 7<sup>th</sup> decimal is 5 or more, and with a rounding down if the 7<sup>th</sup> decimal is 4 or less.

**Gross (Superior) Calorific Value (GGV(15/15)) at Romanian Reference Conditions** (provided in the Network Code of the Republic of Moldova, approved by ANRE

Resolution 420/2019 as Gross Calorific Value (GCV (15/15)) under reference conditions) shall be calculated for real gas according to ISO 6976 taking into consideration the normal reference conditions and combustion reference temperature of 15°C. The Gross Calorific Value is expressed in kWh(15/15)/m<sup>3</sup>.

For energy calculation, the GCV in kWh(15/15)/m<sup>3</sup> shall be used with a rounding at 6 decimals, with rounding up if the 7<sup>th</sup> decimal is 5 or more, and with a rounding down if the 7<sup>th</sup> decimal is 4 or less.

**Gross (Superior) Calorific Value (GGV(25/20)) at the Republic of Moldova Reference Conditions** (provided in the Regulation on gas metering for commercial purposes of the Republic of Moldova, approved by ANRE Resolution 385/2010 as Gross Calorific Value (GCV (25/20)) under standard conditions) shall be calculated for real gas according to ISO 6976 taking into consideration the normal reference conditions and combustion reference temperature of 25°C. The Gross Calorific Value is expressed in kWh(25/20)/m<sup>3</sup>.

For energy calculation, the GCV in kWh(25/20)/m<sup>3</sup> shall be used with a rounding at 6 decimals, with rounding up if the 7<sup>th</sup> decimal is 5 or more, and with a rounding down if the 7<sup>th</sup> decimal is 4 or less.

**Hydrocarbon dew point** means the temperature at which the hydrocarbons in gas begin to condense at a certain pressure.

**Initiating System Operator (ISO)** means the Party initiating the matching process by sending the necessary data to the Matching System Operator (**MSO**). For the purpose of this IA, VESTMOLDTRANSGAZ is the **ISO**.

**Interconnection Point Ungheni** shall mean the interconnection between TRANSGAZ' Transmission System and VESTMOLDTRANSGAZ' Transmission System located at the Romanian – Republic of Moldova border near Iași (on the territory of Romania) and near Ungheni (on the territory of the Republic of Moldova). The metering and/or determination of quantities and quality of gas delivered at this IP shall be carried out at the Ungheni Gas Metering Station in case of Romania-to-Republic of Moldova physical flow and in case of the Republic of Moldova-to-Romania physical flow.

**Interruptible capacity** means gas transmission capacity that may be interrupted by the transmission system operator in accordance with the conditions stipulated herein.

**Kilowatt hour** (kWh) is equal to 3.6 MJ.

**Lead time** - means a period of two hours starting on the first full hour after (re)nomination's submission, after which the actual implementation of the (re)nomination starts.

**Limitation range (LR)** shall mean the allowed range of values of the Total Balance Position.

**Lesser rule** (provided in the Network Code of the Republic of Moldova, approved by NERA Decision no. 420/2019 as Low Calorific Value) means that in case of different

processed quantities at either side of the interconnection point, the confirmed quantity shall be equal to the lower of the two processed quantities.

**Matching process** (provided in the Network Code of the Republic of Moldova, approved by NERA Decision no. 420/2019 as matching process) shall mean the process of comparing and aligning processed quantities by the TSO at both sides of the interconnection point, which will result in confirmed quantities for the network users. Nominations given by the Network Users are expressed in kWh/d.

**Matching System Operator** (provided in the Network Code of the Republic of Moldova, approved by NERA Decision no. 420/2019 as Operator of the similar transmission system) (**MSO**) means the Party performing the matching process and sending the result of the matching process to the Initiating System Operator (**ISO**). For the purpose of this IA, TRANSGAZ is the **MSO**.

**Metered quantity** means the gas quantity that according to the metering equipment has been physically transported across the interconnection point per a certain time period.

**Month:** shall be a period beginning at 5:00 UTC in winter time, and 4:00 UTC in summer time on the first day of a calendar month and ending at the same time on the first day of the next calendar month.

**Natural gas** or **gas** is a mixture of hydrocarbons (principally methane] and non-combustible components in a gaseous state, prepared for transmission through pipelines.

**Network User** (provided in the Network Code of the Republic of Moldova, approved by NERA Decision no. 420/2019 as System user) shall mean a natural person or legal entity that holds transmission capacity at the IP, on the basis of a transmission contract concluded either with TRANSGAZ and/or VESTMOLDTRANSGAZ.

**Network User EIC Code** shall mean a unique identification code issued by ENTSO-G/Local offices for issuing EIC codes to each registered Network User to be used for identification in the procedures and systems administered by the TSO.

**Normal reference conditions** of temperature, pressure and humidity to be used for measurement and calculations on natural gas are 273.15 K (0 °C) and 101.325 kPa (1.01325 bar (absolute)] for real dry gas.

**Operational Balancing Account (OBA)** is a joint account where the Daily Balance Position of both TSOs at the IP is recorded. TRANSGAZ is the TSO responsible for calculating, on a daily basis, the Daily Balance Position and the Total Balance Position and update the Operational Balancing Account accordingly.

**Pair of Network Users** shall mean the mutually served, in line with corresponding transmission contracts, Network Users or group of Network Users at both sides of the IP.

**Passive TSO** - shall mean the TSO which receives the single-sided nominations forwarded by the active TSO. For the purpose of this IA, VESTMOLDTRANSGAZ is the passive Transmission System Operator.

**Processed quantity** (provided in the Network Code of the Republic of Moldova, approved by NERA Decision no. 420/2019 as processed quantity) means the quantity of natural gas assessed by the Parties, which takes into account the network user's nomination (respectively re-nomination) and contractual provisions as defined under the relevant transmission contract.

**Single Sided Nominations (SSN)** shall mean delivery nominations submitted by the Network User(s) who have successfully booked bundled capacity at the IP to the Active TSO.

**Steering difference** means the difference between the gas quantity that the Parties have scheduled to flow and the metered quantity for an interconnection point.

**Time:** all the data regarding time shall be expressed using the **UTC** according to **INT NC**.

**Total Balance Position (TBP)** shall mean the actual accumulation of DBP over a consecutive number of Gas Days. The calculation of TBP for each Gas Day D of the period of implementation of the OBA allocation procedure, is performed as follows:

1. For the first Gas Day D of implementation of the OBA allocation procedure, the TBP is set equal to the DBP calculated for this Gas Day D.
2. For each subsequent Gas Day D and up to (and including) the last Gas Day of the period of implementation of the OBA allocation procedure, the TBP for the Gas Day D shall be calculated as the algebraic sum of the TBP of Gas Day D-1 and the DBP for the Gas Day D concerned.

Negative TBP indicates that VESTMOLDTRANSGAZ is indebted towards the zero balance position, with a quantity equal to the absolute value of TBP. Positive TBP indicates that TRANSGAZ is indebted towards the zero balance position, with a quantity equal to the absolute value of TBP.

**Total Daily Allocated Quantity (TDAQ<sup>D</sup>)** means a quantity defined as:

$$TDAQ^D = \sum_i Q_{AL,F,i}^D - \sum_j Q_{AL,R,j}^D$$

Where:

$Q_{AL,F,i}^D$  – is the allocated quantity, expressed in kWh (for a given pair of NUs in RO-MD direction, during the Gas Day D;

$Q_{AL,R,j}^D$  – allocated quantity, expressed in kWh (for a given pair of NUs in the MD-RO direction, during the Gas Day D;

i – is the pair of NUs active in the RO-MD direction during the Gas Day D;

j – is the pair of NUs active in the MD-RO direction during the Gas Day D;

**Upstream Operator:** shall mean the Party delivering physically the natural gas.

**Water dew point** means the temperature at which the water vapours in gas begin to condense at a certain pressure.

**Wobbe number** or **Wobbe index** shall mean an indicator of the interchangeability of fuel gases with different composition expressed by the Gross Calorific Value divided by the square root of relative density at the same specified metering reference conditions. The measurement unit is kWh/m<sup>3</sup>.

**Working day:** shall be all days with the exception of Saturdays, Sundays, Romanian and Moldavian public holidays and rest days based on government decree. Public holidays and other designated rest days must be communicated by both Parties to each other. Communication covering the next calendar year's holidays is expected in written form until 1 December of the previous calendar year.

**Working hours:** for Transgaz, they shall be from 5:00 UTC to 13:00 UTC in winter time (from last Sunday in October to last Sunday in March and 04:00 UTC to 12:00 UTC in summer time (from last Sunday in March to last Sunday in October]. For VESTMOLDTRANSGAZ, it shall be from 6:30 UTC to 15:00 UTC in winter time (from last Sunday in October to last Sunday in March and from 5:30 UTC to 14:00 UTC in summer time (from last Sunday in March to last Sunday in October).

## **Article 7 - Business Rules**

### **7.1. Network Users' setup and update**

7.1.1. On a regular basis and as soon as possible but before the new Network User plans the transmission, new Network User's codes for the TRANSGAZ's Transmission System and/or the VESTMOLDTRANSGAZ' Transmission System, respectively shall be discussed:

- TRANSGAZ shall communicate to VESTMOLDTRANSGAZ the list of Network User codes (according to Annex 1A), which shall be used by the Network Users for nominating gas quantities for transmission in TRANSGAZ' Transmission System, whilst
- VESTMOLDTRANSGAZ shall communicate to TRANSGAZ the list of Network User codes (according to Annex 1B), which shall be used by the Network Users for nominating gas quantities for transmission in VESTMOLDTRANSGAZ' Transmission System.

### **7.2. The Gross Calorific Value**

7.2.1. For the performance of the transmission services at the IP the following rules shall apply:

- 7.2.1.1. TRANSGAZ shall notify VESTMOLDTRANSGAZ on the forecasted average GCV at the IP to be used by the Network user for nomination/renomination in the RO-MD direction, during the first two Gas Days in the initial phase. The GCV shall be in kWh/m<sup>3</sup>(0);
- 7.2.1.2. VESTMOLDTRANSGAZ shall notify TRANSGAZ on the forecasted average GCV at the IP to be used by the Network user for nomination/renomination in the MD-RO direction, during the first two Gas Days in the initial phase. The GCV shall be in kWh/m<sup>3</sup>(0);
- 7.2.1.3. The Forecasted Gross Calorific Values at the IP, expressed in kWh/m<sup>3</sup>(0) shall be posted, after the Gas Day until UTC 10:00 (in winter time) and UTC 09:00 (in summer time), on the websites of VESTMOLDTRANSGAZ and TRANSGAZ.
- 7.2.1.4. The Gross Calorific Value shall be used for the daily nomination/renomination of the Network User.

### **7.3 Matching procedure**

- 7.3.1. The Network Users active on both sides of the IP shall be entitled to submit to VESTMOLDTRANSGAZ and TRANSGAZ the double sided nomination for Gas Day D no later than UTC 13:00 (in winter time) and UTC 12:00 (in summer time) of Gas Day D-1.
- 7.3.2. The Network Users shall submit all single sided (re)nominations to TRANSGAZ no later than the time established at 7.3.1. and 7.3.7.
- 7.3.3. All single sided (re)nominations shall be sent by TRANSGAZ to VESTMOLDTRANSGAZ for processing using the DELORD - ANC message in the Edig@s format. This shall be done as soon as technically possible but no later than the start of the following full hour after the sending of the (re)nomination by the Network User to TRANSGAZ. . If the single sided (re)nomination is sent by TRANSGAZ to VESTMOLDTRANSGAZ for processing after the start of the next full hour, both TRANSGAZ and VESTMOLDTRANSGAZ shall start the processing in the following renomination cycle for avoiding misunderstandings and considering the use of the automated processes in the IT systems involved.
- 7.3.4. By UTC 13:45 (in winter time) and UTC 12:45 (in summer time) of Gas Day D-1, VESTMOLDTRANSGAZ shall send to TRANSGAZ the DELORD message in Edig@s-XML format regarding the processed quantities for delivery/taking over for gas day D at the IP by Network User pairs. The processed quantities are accepted to be equally allocated per hours during gas day D.
- 7.3.5. TRANSGAZ shall carry out a matching procedure of the processed quantities for delivery/taking over at the IP by Network User pairs and within 45 minutes after the receipt of the message under 7.3.4., a DELRES message shall be sent

to VESTMOLDTRANSGAZ in the Edig@s-XML format. If there is a difference between the Processed Quantities at both sides of the IP, then the `lesser rule` shall be applied.

- 7.3.6. By UTC 15:00 (in winter time) and UTC 14:00 (in summer time) of Gas Day D-1, the Parties shall inform their Network Users about the confirmed quantities. Network Users who have submitted single sided nominations shall be informed by TRANSGAZ about their own confirmed quantities.
- 7.3.7. Network Users active on both sides of the IP shall have the right to renominate between UTC 15:00 (in winter time) and UTC 14:00 (in summer time) of Gas Day D-1 and UTC 02:00(in winter time) and UTC 01:00 (in summer time) of Gas Day D. The Parties shall start a renomination cycle at the beginning of every hour, between UTC 16:00 (in winter time) and UTC 15:00 (in summer time) of Gas Day D-1 and UTC 02:00 (in winter time) and UTC 01:00 (in summer time) of Gas Day D. During each renomination cycle the notification and matching procedure according to 7.3.4 and 7.3.5 shall apply. For renominations a lead time of two hours prior to the nomination implementation start of shall apply.
- 7.3.8. Two hours after the full hour following receipt of Network Users` renomination request(s) , the Parties shall inform their Network Users about the confirmed quantities. Network Users who have submitted single sided renominations shall be informed by TRANSGAZ about their own confirmed quantities.
- 7.3.9. In case a double sided renomination/single sided renomination was rejected by the transmission system operator, the Parties shall use the Network User's last Confirmed Quantity, if applicable.
- 7.3.10. If VESTMOLDTRANSGAZ has not send to TRANSGAZ the quantities processed (DELORD) for Gas Day D until the expiry of the time established at 7.3.4., for the implementation of the matching process such quantities shall be considered by TRANSGAZ equal to the last Confirmed Quantities of the Network Users.
- 7.3.11. If VESTMOLDTRANSGAZ has not send to TRANSGAZ the Processed Quantities (DELORD) for Gas Day D within a certain renomination cycle until the expiry of the time established at 7.3.7. above, for the implementation of the matching process TRANSGAZ shall consider the last Processed Quantities for Gas Day D which were sent by VESTMOLDTRANSGAZ to TRANSGAZ.
- 7.3.12. If TRANSGAZ has not send to VESTMOLDTRANSGAZ the quantities confirmed (DELRES) following the day-ahead nomination matching procedure for Gas Day D until the expiry of the time established at 7.3.5., the confirmed quantities (DELRES) shall be considered equal to the last Confirmed Quantities of the Network Users.
- 7.3.13. If TRANSGAZ has not send to VESTMOLDTRANSGAZ the confirmed quantities (DELRES) for Gas Day D within a certain renomination cycle until the expiry of the time established at 7.3.5., the last confirmed quantities (DELRES) shall be

considered Confirmed Quantities (DELRES) for the relevant renomination cycle.

7.3.14. The matching processes shall be performed according to the provisions related to

the data exchange solution established at Art. 21 (2) of Regulation (EU) No. 2015/703 (point 109 of the Network Code for natural gas, approved by ANRE Resolution 420/2019), and by using the Edig@s-XML format and the AS4 communication protocol.

7.3.15. The Parties shall endeavour to provide a redundant data exchange method for executing the matching process via the web interface with the HTTP/S protocol, which shall be used as a backup if the data exchange solution above fails.

7.3.16 The temporary data exchange method agreed (Annex 2, Annex 3, Annex 2A) shall be

used by the Parties only until the implementation of the data exchange solutions based on documents, according to Art. 21 (2) (a) of Regulation (EU) No. 2015/703 (point 109 of the Network Code for natural gas, approved by ANRE Resolution 420/2019), by using the Edig@s-XML format and the AS4 communication protocol.

7.3.17. The deadline for the implementation of the data exchange based on documents is

....., the latest.

## **Article 8 - Allocation**

8.1 Regarding the allocation of gas quantities, TRANSGAZ and VESTMOLDTRANSGAZ establish the allocation procedure ensuring consistency between the quantities allocated at both sides of the IP. This allocation procedure shall be based on the Operation Balancing Account (OBA) specified below.

8.2 Under the OBA allocation procedure the natural gas quantity allocated for a Gas Day D to a pair of Network Users at the IP shall be equal to the natural gas quantity confirmed for delivery/taking over for Gas Day D, to such pair of Network Users, according to Art. 7.3.

$$Q_{AL,F,i}^D = Q_{C,F,i}^D \text{ and}$$

$$Q_{AL,R,j}^D = Q_{C,R,j}^D ,$$

where:

$Q_{C,F,i}^D$  is the confirmed quantity for a given Pair of Network Users in the RO-MD direction, during Gas Day D;

$Q_{C,R,j}^D$  is the confirmed quantity for a given Pair of Network Users in the MD-RO direction, during Gas Day D;

$Q_{AL,F,i}^D$  is the quantity allocated to a given Pair of Network Users in the RO-MD direction, during Gas Day D;

$Q_{AL,R,j}^D$  is the quantity allocated to a given Pair of Network Users in the MD-RO direction, during Gas Day D;

$i$  is the pair of Network Users active in the RO-MD direction during Gas Day D;

$j$  is the Pair of Network Users active in the MD-RO direction during Gas Day D;

8.3 The OBA allocation procedure shall not be applied if:

8.3.1 The gas quality parameters are not in accordance with Annex 5 of the Agreement and the Parties are not able to complete their daily nominations;

8.3.2 The pressure is not according to the specifications in Art. 12 of the Agreement and the Parties are not able to perform their daily nominations;

8.3.3 The provisions of paragraph 9.3 (b) are implemented.

8.4.1 For each Gas Day D, when any of the conditions in paragraph 8.3 is in effect, the daily quantity measured is allocated to the pairs of Network Users proportionally to their confirmed natural gas quantities in both directions of the IP. The OBA allocation procedure shall be re-applied on the next Gas Day D+1 after Gas Day D in which all of the conditions in paragraph 8.3 are no longer in effect, unless both Parties mutually agree to postpone the application of the OBA for a specific period. Pro-rata allocated quantities shall be calculated by using the following formulas:

In the RO-MD direction:

$$Q_{AL,F,i}^D = Q_{C,F,i}^D + Q_{SD}^D * \frac{Q_{C,F,i}^D}{\sum_i Q_{C,F,i}^D + \sum_j Q_{C,R,j}^D}$$

In the MD-RO direction

$$Q_{AL,R,j}^D = Q_{C,R,j}^D - Q_{SD}^D * \frac{Q_{C,R,j}^D}{\sum_i Q_{C,F,i}^D + \sum_j Q_{C,R,j}^D}$$

where:

$Q_{SD}^D$  – is the steering difference during the Gas Day D:

$$Q_{SD}^D = Q_M^D - \sum_i Q_{C,F,i}^D + \sum_j Q_{C,R,j}^D$$

The OBA is updated by calculating the TBP, considering the DBP that equals to zero (0) each Gas Day for which the pro-rata allocation procedure applies.

- 8.5. The indicative allocation of natural gas quantities shall be carried out via an ALOCAT message by the Edig@s-XML format, for each Pair of Network Users, on a daily basis, until UTC 8:30 (in winter time] and UTC 7:30 (in summer time] for each previous day. The temporary document-based data exchange method is agreed and shall be implemented by the Parties as a backup solution in case of failure of the above mentioned data exchange method. The Daily Energy Allocation Protocol shall be in accordance with the standard form in Annex 4A and Annex 4B of the Interconnection Agreement.
- 8.6. The daily quantity allocation protocols shall be accompanied with the related daily gas quantity and quality measurement protocols issued by VESTMOLDTRANSGAZ in accordance with Annex 7.

### **Article 9 - Operational Balancing Account**

- 9.1. The Parties shall endeavour to reach an equality between the confirmed quantities and the actually metered quantities at the IP in order to maintain the Total Balancing Position as close as possible to zero, and to ensure that the LR specified in paragraph 9.2 is complied with.
- 9.2. The LR is specified by its minimum limit value, which is set to ..... kWh and its maximum limit value which is set to ..... kWh. The minimum and/or maximum value of the LR may be changed by the mutual agreement of TRANSGAZ and VESTMOLDTRANSGAZ, in case of justified operational needs, including but not limited to:
  - (a) Exceptional events
  - (b) Unplanned maintenance works
  - (c) Scheduled flow below the GMS Ungheni minimum measurement and/or flow control limits.
  - (d) Increase or decrease of the IP's technical capacity.
- 9.3. The Parties may operationally agree to:
  - (a) temporarily expand the limits of LR for a certain number of consecutive Gas Days. The OBA expansion can be requested either before the end of Gas Day D, when it becomes clear that there will be such situation (so the necessary actions are taken in due time), or once the Gas Day D has ended and the exact quantities exceeding the OBA limits are already known. The requests and the approvals of such temporary OBA limits expansion shall be submitted to the other Party in writing by e-mail. Any additional information can be clarified in advance by phone. In the requesting e-mail there should be a proposed deadline within which the requesting party will

make all efforts to restore the Total Balancing Position back in the normal OBA limits stated in paragraph 9.2. Approvals should be received by the requesting Party before UTC 8:30 (in winter time) and UTC 7:30 (in summer time) of Gas Day D+1, in order to comply with the deadlines for the allocation of the quantities. Both Parties shall appoint their representatives and their contact information (email addresses, phone numbers and names if applicable), authorized to request and approve temporary OBA limits expansion for a specified time period. Both parties shall inform the other side in due time if any changes occur in the list of authorized representatives and their contact information.

or

(b) suspend the implementation of the OBA allocation procedure, and apply the pro-rata allocation procedure according to paragraph 8.4, for any Gas Day D at the end of which the Total Balancing Position is not within the limits of the LR. The OBA is updated by calculating the Total Balancing Position considering the Daily Balancing Position that equals to zero (0) each Gas Day D for which the pro-rata allocation procedure applies. ,.

9.3.1. (a) For the physical gas flow in the Romania – the Republic of Moldova direction, TRANSGAZ shall send daily to VESTMOLDTRANSGAZ an Account Situation Document (ACCSIT) notification containing the Total Balancing Position in the Edig@s-XML format, not later than UTC 8:30 (in winter time) and UTC 7:30 (in summer time) on Gas Day D+1.

(b) For the physical gas flow in the Republic of Moldova - Romania direction, VESTMOLDTRANSGAZ shall send daily to TRANSGAZ an Account Situation Document (ACCSIT) notification containing the Total Balancing Position in the Edig@s-XML format, not later than UTC 8:30 (in winter time) and UTC 7:30 (in summer time) on Gas Day D+1.

### **Article 11 - Monthly Allocation and Reports**

11.1 The final allocation of the gas quantities for each Gas Day of Month M, and for each Pair of Network Users shall be carried out until UTC 13:00 (in winter time) and UTC 12:00 (in summer time) of the fourth calendar day of the Month immediately following Month M.

11.2 Monthly energy allocation protocols shall be issued by TRANSGAZ and signed by VESTMOLDTRANSGAZ. The monthly allocation protocols shall be in accordance with the preliminarily approved forms according to Annex 4A and Annex 4B. The gas quantities expressed in units of volume are registered in the allocation protocols for reference purposes only.

11.3 The data in the quantity allocation protocols shall be used by TRANSGAZ and VESTMOLDTRANSGAZ for commercial purposes.

- 11.4 Each Party shall have the right to request corrections of the monthly quantity and quality reports within a period of three (3) months starting from the time the alleged discrepancy occurred. In such cases correction measurement protocols shall be issued by the party responsible for the equipment, the other Party shall sign such protocols if there are no objections and the corrected data will be deemed as valid quantity/quality data. The allocation for the Network Users will not be changed and the difference from the original allocation protocol shall be added to the OBA account for the Gas Day for which the correction protocols are issued and signed.
- 11.5 The monthly quantity allocation protocols shall be accompanied with the relevant monthly measuring protocols for gas quantity and quality issued by VESTMOLDTRANSGAZ according to Annex 7.

## **Article 12 - Technical Rules**

### **12.3. Interruption**

- 12.3.1. The below provisions shall be applicable for all interruptible services.
- 12.3.2. Should the circumstances so require, the Parties are entitled to initiate the interruption of the interruptible service.
- 12.3.3. The Transmission System Operators shall include reasons for interruptions in the general terms and conditions that govern interruptible transmission contracts. The reasons for the interruptions may include but are not limited to gas quality, pressure, temperature, flow patterns, use of firm contracts maintenance, upstream or downstream constraints, public service obligations and capacity management deriving from congestion management procedures.
- 12.3.4. The extent of a possible interruption shall not be greater than the level required by the given circumstances and shall not impose undue limitation of Network Users' rights.
- 12.3.5. The Party that initiates the interruption prior to or during the Gas Day shall notify the other Party within the relevant matching procedure as stipulated at 7.3. The interruption lead time shall be minimum 2 (two) hours. The Parties shall notify their affected Network Users as soon as possible, but with due regard to the reliability of the information.
- 12.3.6. The Party that initiates the interruption shall also inform the other Party of the reason for the interruption ex-post.
- 12.3.7 Within day Interruptions are followed by renomination. The result of the renomination shall be processed and communicated according to Art. 7.3. Before Gas Day D-1 the result of the interruptions shall be processed and communicated by matching, according to Art. 7.3.
- 12.3.8. In case of interruption, the order in which the interruption shall be performed

shall be determined based on the contractual timestamp of the relevant transmission contracts on an interruptible basis. Transmission contracts coming into force earlier shall prevail over transmission contracts coming into force later (LIFO). Only if two or more transmission contracts on an interruptible basis are ranked at the same position within the interruption order and the relevant Party does not interrupt all of them, a pro rata reduction of these specific nominations shall apply.

- 12.3.9. The Parties may apply limitation in the availability of firm bundled and unbundled capacities only in case of planned maintenance and Restrictions.

#### **Article 14 - Constraints and communication procedures in case of exceptional event**

- 14.1. Whenever a limit for the gas quality specification according to Annex 5 is approached or exceeded, TRANSGAZ and/or VESTMOLDTRANSGAZ shall inform each other thereof and shall take appropriate measures to shut off such gas or organize the flow in a way accepted by the relevant Downstream Operator. Depending on the position of the Downstream Operator, the gas will be interrupted or not, and the Upstream Operator shall immediately take corrective actions to bring the gas properties back to the specifications as soon as possible.
- 14.2. In case of an exceptional event regarding the Romanian or Moldovan gas pipeline, each Party shall inform the other Party within one hour from becoming aware of the exceptional event on the following:
- the date and time when the exceptional event occurred and the estimated remedy duration;
  - the estimated gas delivery or taking over regime;
  - the necessary operations to restore the normal delivery - taking over regime;
  - the change of gas pressure and quantity of the gas delivered or taken over.
- 14.3. The Parties shall report to the Dispatching Centres - which have round-the-clock contact with each other, their responsibilities regarding the operative command and the agreement of the current working regimes for the pipeline system which ensure gas delivery and taking over through the IP Ungheni, as well as any other operative problems of mutual interest. The communication shall be performed by means of telephone call for information, followed by a written confirmation;
- 14.4. Following the coordination of the current working regimes during an exceptional event, each Party shall inform in a prompt manner its affected network users on the following:

- the date and time when the exceptional event occurred and the estimated remedy duration;
- the estimated gas delivery or taking over regime;
- the necessary operations to restore the normal delivery - taking over regime;
- the change of gas pressure and quantity of the gas delivered and taken over.
- if a constraint affects the quantities that were confirmed to the Network Users, before the constraint took effect, a new set of confirmed quantities for each pair of Network Users shall be established for the constraint period, and a new matching cycle shall commence. The net flow shall be in accordance with the sum of the new confirmed quantities. The Network Users shall be advised about the new confirmed quantities.
- any revision of the constraint shall initiate a new matching cycle, which will lead to revised confirmed quantities. Each Network User shall be informed about its changed confirmed quantities as soon as practicable.

14.5. Once the exceptional event ends, the relevant affected party shall inform the other party as soon as reasonably practicable and each party shall inform its affected network users accordingly.

14.6. The contact data of the Parties related to emergency activities are listed in Annex 6A and Annex 6B.