



*Courtesy English Translation (not binding – only the Italian version is binding)*

**PROCEDURE FOR MULTI-YEAR ALLOCATION OF  
REGASIFICATION CAPACITY OF OLT OFFSHORE LNG  
TOSCANA S.P.A.'S OFFSHORE TERMINAL FOR GAS  
YEARS 2016/2017 TO 2020/2021**

**13<sup>th</sup> APRIL 2015**

## 1. Introduction

This procedure for the offer and allocation of regasification capacity (**Procedure**) is published in accordance with article 4 of resolution no. 272/2013/R/GAS (**Resolution**) issued by the *Regulatory Authority for Electricity Gas and Water (AEEGSI)*. The Procedure states the criteria and rules for the allocation of regasification capacity for gas years 2016/2017 – 2020/2021 (**Allocation Period**).

The subjects that intend to take part in the process for the allocation of regasification capacity must satisfy the access conditions to the regasification service, as defined in paragraph 2.1 of the Procedure.

## 2. Allocation procedure

### 2.1 Requirements

On **13<sup>th</sup> April 2015**, along with the publication on its website of this Procedure, OLT Offshore LNG Toscana S.p.A. (**OLT**) also published the annual capacity, expressed in  $m^3_{liq}$ , available for allocation in each gas year of the Allocation Period (**Capacity Offered**).

Parties interested and which satisfy the conditions for access to the service as established below, can be classified as applicants for the Capacity Offered (**Applicant**), issuing an access request to OLT using the form attached to this Procedure (**Access Request**).

The Access Request must be sent in a sealed envelope by express courier to the address indicated below, or delivered by hand, and must in any case be received by OLT by and no later than **17:00 CET on 14<sup>th</sup> July 2015**.

#### **OLT Offshore LNG Toscana S.p.A.**

Via D'Alesio 2  
57126 Livorno  
Italy  
Attn. Alberto Ton

clearly indicating the following words on the envelope:

**"PROCEDURA APPLICATIVA PER IL CONFERIMENTO PLURIENNALE DI CAPACITA' DEL TERMINALE DI RIGASSIFICAZIONE OFFSHORE DI OLT OFFSHORE LNG TOSCANA S.P.A." (PROCEDURE FOR MULTI-YEAR ALLOCATION OF REGASIFICATION CAPACITY OF OLT OFFSHORE LNG TOSCANA S.P.A.'S OFFSHORE TERMINAL)**

Access Requests received by OLT after the deadline indicated above will not be taken into consideration for the purpose of the allocation of the Capacity Offered. OLT also reserves the right to reject Access Requests which do not conform with the request form attached to this Procedure or which are not compliant with the requirements indicated below.

In the Access Request, under penalty of non-acceptance of the same, the Applicant must provide OLT with a self-drafted affidavit, in which the requesting subject declares (**Conditions for the Service**):

- a) to hold an LNG import contract, whose period of validity must be more than one year;
- b) the LNG tankers, compatible with the Terminal, which will be used for the performance of the import contract(s);
- c) the country where the LNG will be produced. Having the import contract a period of validity of more than one year, the requesting subject is obliged to present, along with the Access Request, also the documentation proving authorisation to import issued by the Ministry of Economic Development;
- d) in the case where the Applicant is not and/or does not intend to hold the qualification of user of the national gas grid (**RNG**), stipulating a transport contract with Snam Rete Gas S.p.A., the Applicant must indicate one or more users of the RNG to which allocate the entire quantity of gas to be allocated to the former for the purpose of delivery to the main transport company;
- e) to sign and observe the Inter-User Agreement within three (3) working days from the date on which the Capacity Contract is signed;
- f) to pledge to comply with all applicable laws regarding the exercise of its rights, the fulfilment of its obligations and the performance of all related or accessory activities carried out in accordance with the Capacity Contract;

On submission of the Access Request, the Applicant must present an original copy of a first demand bank guarantee, whose text is published on the OLT website (**Bank Guarantee\_20%**) issued by a bank which has been approved by OLT, for an amount of 20% of the maximum annual fee for the requested regasification capacity. The bank guarantee will be considered accepted by OLT if issued by a bank or other credit institution whose non-guaranteed long-term debt rating is equal to or higher than one of the following ratings: i) BBB+ if assigned by S&P; ii) Baa1 if assigned by Moody's; and/or iii) BBB+ if assigned by Fitch Ratings (**Approved Financial Institution**).

The regasification service tariff applied by OLT in the Allocation Period for the Capacity Offered will be the one approved by AEEGSI and published on the OLT website.

## 2.2 Application for and allocation of the regasification capacity

Each Applicant, holder of one or more LNG import contracts with a period of validity of more than one year, is entitled to request the Capacity Offered, expressed in m<sup>3</sup>liq/year, up to the volumes indicated in the LNG import contract and for a maximum period of 5 years (and in any case not for more than the period of validity of the import contracts).

The Access Request can be equal to zero for one or more gas years in the overall period for which the regasification service is requested: however, the capacity must be requested for at least one gas year in the Allocation Period. In the case where the Capacity Offered is not sufficient to satisfy the requests submitted, OLT will allocate the Capacity Offered according to a *pro quota* criterion based on the requests received.

In this case OLT will communicate to each Applicant, by **17:00 CET on 21<sup>st</sup> July 2015**, the regasification capacity actually allocated and the Applicant, by **17:00 CET on 22<sup>nd</sup> July 2015**, will be entitled to refuse, but only for the full amount, the regasification capacity assigned, communicating this information to OLT (fax number +39 0586 210922) using the renouncement form attached to this Procedure. In the case where an Applicant renounces the allocated capacity, this capacity will be promptly re-allocated by OLT to other Applicants who have not notified their renouncement, using the same priority criterion indicated above; such allocation of additional capacity will be promptly notified to these Applicants. The re-allocation procedure described above will end for each Applicant in the moment in which: i) the capacity made available and re-assigned to such Applicant fully satisfies the initial request for capacity; or ii) at **17:00 CET on 22<sup>nd</sup>**

**July 2015.** It is noted that during the re-allocation process above, for the purpose of the priority for allocating the unconfirmed capacity, reference will be made solely to the time of receipt by OLT of the renouncement forms. It is agreed that non-transmission of the renouncement form by the deadline set above, will be considered to all effects as confirmation of the allocated capacity.

### **2.3 Signing of the Regasification Capacity Contract**

By **28<sup>th</sup> July 2015**, based on the requests received and any refusals and subsequent re-allocations of capacity, OLT will communicate to each Applicant the regasification capacity expressed in m<sup>3</sup>liq/year, and an equivalent maximum number of moorings (which will be used for the planning and definition of the annual programme), simultaneously sending a copy of the Capacity Contract with request to return it duly signed by **at 17:00 CET on 11<sup>th</sup> August 2015**.

The signing of the Capacity Contract is subordinate to the simultaneous presentation by the Applicant of a credit rating assigned by major international organisations equal at least to: i) Baa1 if assigned by Moody's; or ii) BBB+ if assigned by S&P or iii) BBB+ if assigned by Fitch Ratings. The Applicant must provide specific certification, issued by one of the above-stated organisations, proving the rating assigned.

If the credit rating is assigned to the company controlling or controlled by the Applicant, the latter must provide OLT with a guarantee letter issued by the controlling or controlled company which expresses the commitment, by same, to furnish a guarantee – in the name and on behalf of the Applicant – covering all the obligations of same with OLT.

The form with the text of the guarantee requested is published on the OLT website (**Credit Guarantee Requested**).

In the case where the criteria indicated above are not satisfied, the Applicant must present an original copy of first demand bank guarantee whose text is published on the OLT website (**Bank Guarantee\_1/3**), issued by an Approved Financial Institution, for an amount equal to one third of the maximum annual fee of the allocated regasification capacity indicated in the Capacity Contract, with effect deferred to the 1<sup>st</sup> day of the month and year in which the regasification service is provided.

### **2.4 Non-signing of the Capacity Contract**

In the case where the Applicant does not sign the Capacity Contract by the deadline indicated in point 2.3, OLT will enforce the Bank Guarantee\_20% as of point 2.1 presented simultaneously with the Access Request.

The regasification capacity made available following non-signing of the Capacity Contract will be allocated, within the limits of the capacity initially requested, to Applicants to whom a reduced regasification capacity compared to that indicated in the Access Request has been allocated, and who did not renounce to the allocation as of point 2.2. It is agreed that this allocation will be made by OLT without the prior consent of the Applicant and will modify the capacity commitments undertaken by the latter in the relevant Capacity Contract.

### **3. Schedule**

**13<sup>th</sup> April 2015** – Date of publication on the OLT website of the Procedure and of the regasification capacity available.

**14<sup>th</sup> July 2015, 17:00 CET** – Date by which each Applicant must send OLT its Access Request and submit the relevant bank guarantee.

**21<sup>st</sup> July 2015, 17:00 CET** – Date by which OLT will communicate the outcome of the allocation procedure to each Applicant.

**22<sup>nd</sup> July 2015, 17:00 CET** – Deadline for the renouncement and re-allocation of any refused capacity process.

**28<sup>th</sup> July 2015** – Deadline by which OLT will communicate the final outcome of the allocation procedure and send the Capacity Contract.

**11<sup>th</sup> August 2015, 17:00 CET** – Date by which the Applicant must deliver the Capacity Contract duly signed along with the related bank guarantee (if necessary).

### **4. Information**

Please send any requests for further information about the Procedure to the following email address:



e-mail: [commercial@oltoffshore.it](mailto:commercial@oltoffshore.it)

Clarifications about the Procedure may be published on the website at <http://www.oltoffshore.it>, the identity of the Applicant who has requested the clarification will be kept confidential. OLT may provide any additional information that becomes available at any time during the course of the Procedure.

## **5. List of Attachments**

1. Access Request.
2. Renouncement Form.
3. Bank Guarantee\_20%
4. Bank Guarantee\_1/3
5. Credit Guarantee Requested