

PROCEDURE OF ALLOCATION OF REGASIFICATION CAPACITY PRODUCTS FOR THE GAS YEAR 2018/2019, OFFERED DURING THE GAS YEAR

August 10th, 2018

1. Whereas

- i) Considering Resolution 660/2017/R/Gas by ARERA updating “Testo integrato in materia di adozione di garanzie di libero accesso al servizio di rigassificazione del gas naturale liquefatto” (TIRG);
- ii) Considering Resolution 110/2018/R/Gas by ARERA approving the Regasification Code of OLT Offshore LNG Toscana S.p.A (OLT);
- iii) Considering Resolution 308/2018/R/Gas by ARERA updating the criteria for the definition of the reserve price for the procedures of allocation of regasification capacity as per art. 7 of the TIRG;
- iv) Considering the communication of ARERA of August 7th, 2018, prot. 0023528, having as its subject “Allocation procedures for annual regasification capacity” providing that the reserve price for the capacity product defined in the following art. 2 shall be equal to the average of the reserve prices of each month of the procedure, as defined by Resolution 308/2018/R/Gas;

and considering also that:

- v) If the applicant is awarded regasification capacity products pursuant to the present allocation procedure, such applicant is going to be assigned the rights and the obligations of a user of the regasification service provided by the Regasification Code and by the Capacity Agreement attached to the same Regasification Code.

2. Scope of the procedure

The scope of the procedure is the offer of one or more capacity products, consisting in one delivery slot for each month following the month on which the capacity products have been offered until the end of the Gas Year.

If, with reference to one or more months included between the month on which the capacity products have been offered until the end of the Gas Year, there is no delivery slot available, OLT will define a capacity product consisting, for each month, in the delivery slots which are still available in the relevant month, if any.

Such product is offered within the procedures of infra-annual capacity allocation as per art. 6 of TIRG.

3. Capacity allocation

Within three working days before the end of the month which precedes the month of the auction, OLT shall publish on its website the capacity products available for the allocation, stating, for each capacity product, the months on which the delivery slots are available for such allocation.

By hr. 12:00 of the last working day of the month which precedes the month of the auction, each applicant meeting the service conditions under Clause 2.1.1 of the Regasification Code shall:

- i. sign a Capacity Agreement pursuant to Clause 2.1.10 of the Regasification Code;
- ii. provide adequate financial guarantees pursuant to Clause 3.1.1.2 of the Regasification Code;

It is understood that, in order to participate to the present allocation capacity procedure, the applicants shall be enabled to operate through the Platform for the Allocation of Regasification capacity (PAR) managed by the GME, in accordance with its Regulation.

From hr. 09:00 to hr. 14:30 of the first working day of the month before the first month the capacity product refers to, each applicant shall submit its offer for the capacity product/s through the PAR, in accordance with its operating rules. Any variation of such deadlines or time will be promptly notified by OLT on its website.

The reserve price of each capacity product shall be equal to the average of the reserve prices calculated as per Resolution 308/2018/R/Gas for each month with available capacity product.

If the unit price offered by the applicant is higher than the reserve price, the regasification capacity products will be awarded on the basis of the higher price consistently with the PAR Regulation.

Each successful applicant may choose, on each month following the month on which the capacity products have been offered until the end of the Gas Year, a delivery slot among those available according to the following rules:

- a. for the regasification capacity which refers to the quarter which follows the auction, by hr. 18:30 of the auction day, each successful applicant can communicate through the PAR the order of preference of the delivery slots which shall then be assigned. according to the decreasing order of price offered and, in case of equal prices, according to the time order of the offers;
- b. for the regasification capacity allocated in the months following the quarter referred to in the previous point (a), each applicant can state its preference by 18:30 of the first working day of the third month proceeding the month on which this regasification capacity refers among the delivery slots still available at that time. Each delivery slot will be assigned according to the decreasing order of price offered and, in case of equal prices, according to the time order of the offers.

Failure by the awarded applicant to state its preference by the above-mentioned terms, shall result in the such applicant being automatically assigned the first delivery slot which is available in each month.

Following the allocation of the capacity product, OLT shall update and publish the annual unloading schedule and the quarterly unloading schedule.