On the basis of the sixth paragraph of Article 242 of the Energy Act (the Official Gazette of the Republic of Slovenia, No. 17/14) and after having obtained the consent from the Council of the Energy Agency No. 25-33/2014-24/213 dated 6 November 2014 the Transmission System Operator Plinovodi d.o.o. hereby issues under public authority, the

**RULES**
on the procedure for the allocation of capacity of the transmission system for the entry and exit points in the Republic of Slovenia, the transmission system congestion management procedure and capacity trading on the secondary market in accordance with Regulation (EC) No. 715/2009

I. GENERAL PROVISIONS

1. Article 1
   **(Subject Matter)**


2. Article 2
   **(Scope)**

This act shall govern:

- the system of entry and exit points,
- the procedures for the allocation of transmission system capacities for the entry and exit points in the Republic of Slovenia,
- short-term services for the entry and exit points in the Republic of Slovenia, provided by the Transmission System Operator,
- trading in capacities at interconnection points on the secondary market,
- the congestion management procedures in the event of contractual congestion,
- the publication of information.

The capacity allocation procedures at the border entry and exit points of the transmission system on the primary market are governed by the Transmission System Operator's General act on terms and conditions as well as the capacity allocation mechanisms at interconnection points of the transmission system through an auction.

3. Article 3
   **(Definitions of terms)**

The definitions in these Rules shall have the same meaning as the definitions used in Regulation 715/2009/EC and the Energy Act (the Official Gazette of the Republic of Slovenia, No. 17/14); hereinafter: EZ-1), provided they are not defined differently hereunder:

- Agency: means the Energy Agency;

Legally non-binding translation
- working day: means every day from Monday to Friday, except public holidays and work-free days;
- long-term services of access: means services of booking yearly or multiannual capacities;
- final customer: means a customer who buys natural gas for own consumption;
- short-term services of access: means services of leasing monthly capacities, daily capacities and day-ahead capacities;
- unused capacity: means a firm capacity which a network user has acquired under a Transmission Contract but did not nominate its use by the deadline specified in the contract, the law or implementing regulation;
- gas day: means a time period of 24 straight hours from 6:00 AM to 6:00 AM of the following day;
- gas year: means a time period from 1 October of the current calendar year to 30 September of the next calendar year;
- Transmission Contract: means a contract which the Transmission System Operator has concluded with a network user to implement the natural gas transmission;
- network user: means a transmission system user such as defined under item 56 of Article 159 of the EZ-1, including a distribution system operator and a potential transmission system user;
- interconnection point: means a border entry or border exit point in which the transmission system of the Republic of Slovenia is connected to the transmission system of neighbouring countries;
- relevant connection point: means an entry or exit point in the transmission system which was approved by the Agency in accordance with the third paragraph of Article 241 of the EZ-1;
- entry point (intake point): means a point in the transmission system in which the Transmission System Operator intakes quantities of natural gas for transmission for network user based on the Transmission Contract;
- entry capacity: means the booked capacity at an individual entry point for a network user as agreed in the Transmission Contract;
- entry point (offtake point): means a point in the transmission system in which the Transmission System Operator offtakes natural gas to a network user on the basis of the Transmission Contract;
- exit capacity: means the booked capacity of an individual exit point for a network user as agreed in the Transmission Contract;
- closed distribution system: means a distribution system of a local community that is eliminated from the distribution system and intended for the distribution of natural gas in a geographically delineated industrial or business zone or collective services area and which normally does not supply households in this area and is connected directly to the transmission system at the exit point;

II. ENTRY-EXIT POINT SYSTEM

4. Article 4
(Ensuring Access with the Entry-Exit System)

The Transmission System Operator sells the rights to use the capacities on the primary market by concluding long-term and short-term Transmission Contracts, separately and independently at the entry and exit points of the transmission system.
By concluding a Transmission Contract for a certain entry point a network user acquires the right enabling the Transmission System Operator to intake natural gas from the network user with the aim of implementing the transmission.

By concluding a Transmission Contract for a certain exit point a network user acquires the right enabling the Transmission System Operator to offtake natural gas to the network user at this exit point.

5. Article 5
(Method of Ensuring Access at Entry and Exit Points in the Republic of Slovenia)

The Transmission System Operator ensures access to entry and exit points in the Republic of Slovenia based on the conclusion of Transmission Contracts for the following standard capacity products:

- the booking of yearly and multiannual capacities,
- the booking of monthly capacity,
- the booking of daily capacity, and
- the booking of day-ahead capacity.

The transmission capacities referred to in the previous paragraph are provided as firm access services.

The offered capacity at an exit point in the Republic of Slovenia cannot be higher than the limitations determined by the Transmission System Operator for such connection point in the Connection Contract.

The booking of capacities provided by the Transmission System Operator on the primary market is charged in accordance with the general act of the Agency regulating the charging the network charges for the natural gas transmission system.

6. Article 6
(Exit Point to Final Customer)

All offtake points to final customers that are directly connected to the transmission system are exit points of the transmission system.

Access at an exit point to the final customer referred to in the previous paragraph can be claimed by a person who has concluded a Connection Contract with the Transmission System Operator for such exit point, or by another person who has concluded a contract with that person, based on which such exit point can be used in the period of time for which the access is being claimed.

7. Article 7
(Exit Point to the Distribution System)

Access at the exit point to the distribution system which is connected to the transmission system can be claimed only the operator of such a distribution system.

Access at the exit point to a closed distribution system which is connected to the transmission system can be claimed only the operator of such closed distribution system, except in the case referred to in the third paragraph of Article 229 of the EZ-1.
8. Article 8  
(Entry or Entry-Exit Point to the System for LNG terminals and storage facilities)

Access at the entry point from liquefied natural gas terminals and at the entry-exit point to storage capacities in the Republic of Slovenia can only be booked by the operator of such systems.

Access at the entry point in the Republic of Slovenia which is directly connected to the production capacity of one single producer can only be claimed by such producer.

III. PROCEDURES FOR THE ALLOCATION OF TRANSMISSION SYSTEM CAPACITIES FOR ENTRY AND EXIT POINTS IN THE REPUBLIC OF SLOVENIA

9. Article 9  
(Annual and Multiannual Capacity Allocation Procedure)

Network users shall provide to the Transmission System Operator requests for access to the transmission system by 28th February of the current gas year for the next gas year or for several future gas years.

The request for access shall include:

- name and address of final customer,
- name and address of natural gas supplier,
- name and address of the balancing group leader,
- the offtake point, the offtake pressure, the maximum daily flow rate, the maximum hourly flow rate,
- approximate monthly and annual quantities of natural gas for customer,
- the beginning and duration of access to the transmission system.

If the request for access refers to an entry point in the Republic of Slovenia, it shall include the data about the intake point, the intake pressure, the maximum daily flow rate, the maximum hourly flow rate and the data about natural gas properties instead of the data referred to in the fourth indent of the previous paragraph.

If the Transmission System Operator does not reject the network user’s request for access, the Transmission System Operator shall provide the Transmission Contract to the network user for signing within 15 days from the date when the complete and timely request was filed. It shall be deemed that the Transmission System Operator has granted the access to transmission system when the Transmission Contract was provided to the eligible network user with a 15-day optional deadline for signing.

The Transmission System Operator may reject the system access request if any of the reasons to reject the access referred to in the first paragraph of Article 239 of EZ-1 are present.

After the deadline expiration referred to in the first paragraph of this Article, the Transmission System Operator shall process the access requests in the same order as they have arrived until all the transmission capacities are full. If after the deadline expiration specified in the first paragraph of this Article a network user concludes a Transmission Contract for the remaining duration of the current gas year and for the next gas year, it shall be deemed that a multiannual contract has been concluded.
An applicant that has filed a request for the transmission system access cannot be granted a higher daily flow than enabled by the connection and technical capabilities of the gas pipeline.

10. Article 10
(Transmission Contract)

The Transmission Contract concluded between a network user and the Transmission System Operator shall include at least the following:

- the entry or exit point in the Republic of Slovenia, the booking period of transmission capacity, the booked contractual transmission capacity,
- the offtake or intake pressure at the offtake or intake point and the tolerance level,
- the maximum allowed hourly flow rate,
- the minimum allowed natural gas flow rate,
- booking price,
- payment terms,
- the form and method of securing the payment of network charges for the booked capacities, whereby the Transmission System Operator may request from the network user to secure a calculated average amount of a two month’s network charge regarding the contractually agreed maximum volume of the booked transmission capacity,
- the duration of the Contract.

IV. SHORT-TERM SERVICES FOR THE ENTRY AND EXIT POINTS IN THE REPUBLIC OF SLOVENIA, PROVIDED BY THE TRANSMISSION SYSTEM OPERATOR

11. Article 11
(Ensuring Short-term Services of Access)

The Transmission System Operator shall ensure the following short-term access services:

- the booking of monthly capacity;
- the booking of daily capacity, and
- the booking of day-ahead capacity.

In the absence of special provision for short-term access services in this chapter, the provision referred to in Articles 9 and 10 herein shall apply for the capacity allocation procedure and the conclusion of the Transmission Contract.

12. Article 12
(Booking of Monthly Capacity)

Booking a monthly capacity, a network user is allocated the capacity that can to a certain extent of the booked capacity be used each accounting day of the specified calendar month. An individual monthly period starts on the first accounting day of the month and ends at the end of the last accounting day of the same month.

The user shall conclude the Transmission Contract for a monthly capacity at an entry and exit point in the Republic of Slovenia with the Transmission System Operator for a period of one or several months, but no more than 11 consecutive months.
The network user shall request the access to the system based on the booking request for monthly capacity no later than 3 business days prior to the beginning of the month in which the transmission would be performed while the Transmission System Operator must receive such request by 10 AM. The Transmission System Operator shall decide about the access to the transmission system no later than two business days following the receipt of a timely and complete request for access. It shall be considered that the Transmission System Operator has approved the short-term access to the transmission system by having provided to the eligible user the short-term Transmission Contract for signing with an optional period for signing of one business day from the receipt of the contract.

Article 13
(Booking of Daily Capacity)

Booking a daily capacity, a network user is allocated the capacity that can to a certain extent of the booked capacity be used in one or several gas days, but not more than for a period that is at least one day shorter than the number of days in the calendar month, for which the Transmission Contract for daily capacity at the entry and exit points in the Republic of Slovenia is concluded.

The network user shall request the daily access to the system based on the booking request for daily capacity no later than 3 business days prior to the beginning of the expected transmission, while the Transmission System Operator must receive such request by 10 AM. The Transmission System Operator shall decide about the access to the transmission system no later than two business days following the receipt of a timely and complete request for access. It shall be considered that the Transmission System Operator has approved the short-term access to the transmission system by having provided to the eligible user the short-term Transmission Contract for signing with an optional period for signing of one business day from the receipt of the contract.

14. Article 14
(Booking of day-ahead capacity)

In addition to the Transmission Contracts determined herein, a network user and the Transmission System Operator may conclude a Framework Transmission Contract for the entry and exit points in the Republic of Slovenia based on which the transmission capacity can be booked for one day ahead.

The following is determined in the Framework Agreement: the maximum possible booked capacity under this agreement for the entry and exit points in the Republic of Slovenia, the minimum intake pressure at the entry point to the transmission system, the offtake pressure at the exit point and tolerance level, the maximum flow rate and the minimum allowed flow rate of natural gas, the method of informing the Transmission System Operator about all expected extraordinary increases in requirements for transmission capacity which are a result of the performance of planned maintenance works, the method of charging, the payment terms, the methods of securing payments, the persons responsible for the activation of transmission capacity, a detailed procedure of transmission capacity activation and the duration of agreement. A draft of the Framework Agreement for the entry and exit points in the Republic of Slovenia shall be published on the Transmission System Operator’s website.

Network users can conclude the Framework Agreement when they have already concluded at least one Transmission Contract for firm capacities at the relevant entry or exit point in the Republic of Slovenia, which was not concluded in accordance with this Article. The maximum booked capacity determined in the Framework Agreement may amount up to
2.5-times the booked capacity under the relevant Transmission Contract for firm capacities, whereby it must fully correspond to the period of the stated Transmission Contract. The Framework Agreement is normally concluded together with the Transmission Contract for firm capacities and within the deadlines for the conclusion of such Transmission Contract determined in the Rules; if the agreements are not concluded simultaneously, the provisions of Article 9 regarding the deadlines shall apply *mutatis mutandis*.

By concluding the Framework Agreement, the contracting parties legally undertake to observe the general terms and conditions which will underlie any future, individual Transmission Contract. The content of a concluded Framework Agreement is entirely valid and independent of individual Transmission Contract concluded on its basis and it is entirely and unconditionally binding for the contracting parties. The parties shall agree on the volume of capacities and the duration of the booked capacities in individual Transmission Contracts concluded based on the Framework Agreement. After being concluded these agreements are independently binding.

The request for the activation of transmission capacity represents the network user's offer for the conclusion of the Transmission Contract based on the concluded Framework Agreement. When the request for the activation of the transmission capacity is confirmed it is considered that the Transmission System Operator has accepted the network user's offer and that based on the Framework Agreement the Transmission Contract has been concluded for the volume of capacity and the duration such as confirmed on the request for the activation of the transmission capacity and under the terms and conditions of the Framework Agreement. Should the Transmission System Operator confirm the transmission capacity activation request only in part (partial confirmation is possible for the requested volume of capacity and for the period for which the capacity has been booked), it shall be considered that the Transmission System Operator has accepted the user's offer in this part, but rejected it in the remaining parts, and that the user has provided a declaration in advance, accepting such partial confirmation by the Transmission System Operator.

The request for the activation of the transmission capacity can be sent by ordinary mail (to the Transmission System Operator's registered office) or electronically (to the email or fax such as specified in the Framework Agreement).

Conclusion of individual Transmission Contracts based on the Framework Agreement does not terminate the Framework Agreement. Individual Transmission Contracts concluded on the basis of the Framework Agreement can also be concluded for the same or overlapping periods but the total daily booked capacity from all individual Transmission Contracts concluded on the basis of the Framework Agreement cannot exceed the maximum daily booked capacity which is determined in the Framework Agreement.

The transmission capacity determined in the Framework Agreement is activated for the D-day (accounting day) on the previous D-1-day (the day before the accounting day) when the user's authorised person has provided a request for the activation of the transmission capacity to the Transmission System Operator in the time anticipated for the nomination of the system use. The Transmission System Operator's authorised person confirms or rejects in writing the activation of capacity in the time anticipated for the confirmation of nomination.

If the person authorised by the Transmission System Operator has confirmed the activation, the network user has the right to use the transmission capacity in the volume and time period such as confirmed based on the request for the activation of the transmission capacity and under the terms and conditions of the Framework Agreement.
Irrespective of the Framework Agreement, the Transmission System Operator shall not be obliged to confirm the request for the activation of the transmission capacity should this pose a risk to the safety and reliability of the transmission system’s operation.

The withdrawal of request for the activation of the transmission capacity has no effect after the Transmission System Operator has received it.

15. Article 15
(Reporting on Short-term Services)

The Transmission System Operator shall report on individual concluded short-term Transmission Contracts to the Agency each year by 31 January for the previous calendar year. On request by the Agency, the Transmission System Operator shall also provide photocopies of the concluded short-term Transmission Contracts.

V. TRADING IN CAPACITIES AT CONNECTION POINTS ON THE SECONDARY MARKET

16. Article 16
(Subject of Trading on the Secondary Market)

The subject of trading on the secondary market can only be transmission capacities at individual connection points, referred to in the Transmission Contract.

The network users who have booked a capacity at an individual connection point based on the Transmission Contract concluded with the Transmission System Operator may offer on the secondary market the contracted capacity, which they are not using, namely by:

- sublet it, or
- reselling it (the transfer of the Transmission Contract).

In accordance with this Act the contracted capacity referred to in the previous paragraph is traded on the secondary market at market prices and by observing the rights and obligations of network users. The subject of offering on the secondary market is only the capacity at a certain border entry or exit point under the terms and conditions such as determined in the Transmission Contract concluded with the Transmission System Operator, and this does not change on the secondary market.

17. Article 17
(Subleasing Capacities)

The network user who is not using a part of the contractually agreed capacities may sublease such capacities on the secondary market by concluding a Sublease Contract whereby the user’s Transmission Contract concluded with the Transmission System Operator remains valid.

In such case the network user who is entering into a legal transaction on the secondary market shall, prior to concluding such legal transaction, inform the Transmission System Operator in writing about the envisaged border exit or entry point, the anticipated quantity of the booked capacity and the envisaged date of the beginning and end of the transmission.
In such case the network user who is entering into a legal transaction on the secondary market shall, prior to concluding such legal transaction, inform the Transmission System Operator in writing about the envisaged border exit or entry point, the anticipated quantity of the booked capacity and the envisaged date of the beginning and end of the transmission.

The network user who subleased a capacity and whose legal transaction was not rejected in writing by the Transmission System Operator as referred to in the previous paragraph, shall no later than within 15 days after the conclusion of the Sublease Contract, but at least three business days before the date of implementation of the Contract inform the Transmission System Operator about this by presenting to the Transmission System Operator a photocopy of the Sublease Contract in which the price or any other commercially sensitive information can be hidden. The Transmission System Operator shall realise the Sublease Contract provided that it has been concluded in accordance with the provisions of this Article, and that the Transmission System Operator was informed about the date of enforcement of the contract in due time.

The network user who subleases capacities shall provide to the Transmission System Operator all data which the Transmission System Operator needs to meet the obligations laid down by the excise and customs laws.

18. Article 18
(Reselling Capacities)

In case a capacity is being resold on the secondary market the network user (transferor) entirely transfers the Transmission Contract concluded with the Transmission System Operator to a third party (transferee), thus making the transferee the holder of all the transferor’s rights and obligations arising from the Transmission Contract and the one entering the legal relationship with the Transmission System Operator instead of the transferor.

A network user who is reselling capacities shall, prior to concluding a legal transaction, inform the Transmission System Operator in writing about the proposal of the Resale Contract. When submitting the proposal of the Contract, the network user can hide the price information or any other commercially sensitive information.

On the basis of the notice referred to in the second paragraph herein, the Transmission System Operator shall within three business days confirm or reject in writing the resale of capacities.

The network user may conclude the Resale Contract only if the Transmission System Operator has confirmed the legal transaction in accordance with the previous paragraph. The transfer of the Transmission Contract is valid only if the Transmission System Operator has confirmed it and it shall enter into effect after such confirmation has been received.

The Transmission System Operator may reject the confirmation particularly for the following reasons:

- if the legal transaction has been concluded in conflict with this Act;
- if the transferee has not submitted a financial guarantee in accordance with the Transmission System Operator’s Rules on terms and conditions as well as the capacity allocation mechanisms at interconnection points of the transmission system through an auction.
The network user who has resold the capacity shall no later than within 15 days after the conclusion of the Resale Contract, but at least three business days before the Contract has entered into force, inform the Transmission System Operator about this by submitting to the Transmission System Operator a photocopy of the Resale Contract in which the price or other commercially sensitive information can be hidden.

The Transmission System Operator shall realise the transfer of the Transmission Contract provided that it has been concluded in accordance with the provisions of this Article.

19. Article 19
(Single Website for Trading in Capacities on the Secondary Market)

In order to ensure the transparency and non-discrimination of capacity trading the Transmission System Operator has designed a single website where all capacity providers and capacity users can submit their offers or demands.

The Transmission System Operator shall publish the mandatory drafts of the Sublease Contract and the Resale Contract on the website. The contracting parties may add additional provisions to the mandatory drafts which, however, cannot be in conflict with the content of the mandatory drafts.

The offer or demand shall include at least the following data:

- name and address of the provider or user;
- the registration number of the provider or user;
- the period determined with the date of the start and end of sublease;
- the volume of capacity being subleased;
- in case of the offer for the conclusion of Resale Contract, volume of capacity must be determined in the total volume and for the entire period such as determined in the capacity Transmission Contract;
- the interconnection point;
- the validity period of the offer or validity period of demand.

The Transmission System Operator shall publish the demand/offer form for trading in capacities on the secondary market on the single website.

VI. THE CONGESTION MANAGEMENT PROCEDURES IN THE EVENT OF CONTRACTUAL CONGESTION

20. Article 20
(Monitoring the Actual Use of Contractual Capacities)

The transmission system management tasks performed by the Transmission System Operator include the monitoring of the nominated use of transmission capacities and the booked firm transmission capacities.

21. Article 21
(Scope of Contractual Congestion Management Procedures)

The congestion management procedures are implemented for the interconnection points of the transmission system.
In case of the contractual congestion, the Transmission System Operator shall perform the congestion management procedures in order to return the spare capacities to the market and reallocate them in the regular allocation procedure as firm capacities.

On the occurrence of the contractual congestion, the Transmission System Operator shall announce on the website the period of the contractual congestion at an individual interconnection point, and accordingly inform the Agency.

22. Article 22
(Congestion Management Measures)

In the event of the contractual congestion, the following congestion management procedures shall be used:

1. the surrender of contractual capacities,
2. the long-term capacity use-it-or-lose-it mechanism,
3. the increase in capacity through the oversubscription and buy-back mechanism.

The Transmission System Operator shall firstly allocate additional capacities obtained based on congestion management procedures in case of contractual congestion referred to in item 1 of the previous paragraph, followed by item 2 of the previous paragraph, and in the end the Transmission System Operator shall allocate other additional capacities.

In the event of the contractual congestion, the Transmission System Operator shall establish and offer all additional capacities resulting from the application of the congestion management procedures, in the regular procedure of capacity allocation at the interconnection points.

The Transmission System Operator shall allocate additional capacities arising from the application of the congestion management procedures in case of the contractual congestion only when all firm capacities within the technical capacity have been allocated.

1. Surrendering Contractual Capacities

23. Article 23
(Right to Surrender Contractual Capacities)

In the event and for the entire duration of contractual congestion a network user can surrender to the Transmission System Operator the booked firm capacities at a interconnection point for a period longer than one day, at least three business days before the planned surrender date. The draft of the notice about the surrender is published on the website of the Transmission System Operator.

The network user shall keep his rights and obligations arising from the Transmission Contract until the Transmission System Operator has actually reallocated the surrendered firm capacities, and up to the volume of capacities which the Transmission System Operator has not reallocated.

The network user shall immediately inform the Transmission System Operator if he has concluded a contract about the surrendered firm capacities on the secondary market after having received a notice about the surrender from the Transmission System Operator.

The Transmission System Operator shall reallocate the surrendered capacities in the same order as the surrender notices were received.
24. Article 24
(Annex on Reallocation)

Capacities are reallocated by concluding the Transmission Contract for the surrendered capacities with another user. When the Transmission Contract is concluded for the surrendered capacities, it is considered that the Transmission System Operator has accepted a network user’s offer for the surrender of capacities and that an Annex on reallocation has been added to the Transmission Contract; the Transmission System Operator shall immediately inform the user about this by providing the Annex on reallocation.

The Annex on reallocation concluded between the Transmission System Operator and the network user sets forth that the volume of capacities from the Transmission Contract be decreased by the volume that was reallocated due to the congestion management procedure and for which the Transmission Contract was concluded with another network user.

25. Article 25
(Prohibition of Transmission on the Secondary Market)

After the Annex on reallocation has been concluded, the network user no longer disposes with the surrendered and reallocated firm capacities and therefore he cannot trade in them on the secondary market anymore.

2. b. Long-Term Capacity Use or Loss Mechanism

26. Article 26
(Cancellation of Contractual Capacity)

The Transmission System Operator shall provide to the Agency the data for an individual interconnection point about the daily volume of used contracted capacities from the valid Transmission Contracts that were concluded for a period of more than one year, and the Transmission Contracts concluded for a shorter period of time, which are together concluded for an uninterrupted minimum period of two years. The Transmission System Operator shall send such information to the Agency by 15 November each year for the period from 1 April to 30 September of the same year, and by 15 May for the period from 1 October of the previous year to 31 March of the same year.

After receiving the Agency’s decision, the Transmission System Operator shall cancel, partly or in whole, the contracted capacities at border entry or exit points which are systematically not used enough; the Transmission System Operator shall accordingly inform all network users who have been allocated such capacities based on the Transmission Contract.

The cancellation may apply only for a part of the capacities or for whole capacities, as well as for a fixed term or until the end of the valid contractual period.

The network user shall keep his rights and obligations arising from the Transmission Contract until the Transmission System Operator has actually reallocated the cancelled capacities, and up to the volume of capacities which the Transmission System Operator has not reallocated.
The cancelled capacities are reallocated by means of concluding the Transmission Contract for the cancelled capacities with another user. When the Transmission Contract is concluded for the cancelled capacities, it is considered that an Annex on reallocation of the cancelled capacities has been concluded; the Transmission System Operator shall immediately inform the user about this by providing the Annex on reallocation of cancelled capacities.

The Annex on reallocation of cancelled capacities concluded between the Transmission System Operator and the network user sets forth that the volume of capacities from the Transmission Contract be decreased by the volume that was cancelled and reallocated due to the congestion management procedure and for which the Transmission Contract was concluded with another network user.

3. Oversubscription and Buy-back Mechanism

27. Article 27
(Obligation to Offer Capacities from Oversubscription and Buy-back Mechanism)

In addition to the firm capacities within the technical capacities at a interconnection point, the Transmission System Operator offers firm capacities from the oversubscription and buy-back mechanism, taking account of the technical conditions such as the calorific value, temperature and expected consumption.

28. Article 28
(Offer of Additional Firm Capacities within the Program)

For an individual day in a year, the Transmission System Operator offers additional firm capacities at an individual interconnection point as daily capacities, provided that statistical data for an individual day of a year show that the following conditions have been met:

- the relevant interconnection point was contractually congested in the last five years,
- Transmission Contracts for interruptible capacities have been concluded for the relevant connection point every year in the last three years, in accordance with which the transmission was implemented and which were not cancelled by the Transmission System Operator, and
- an spare capacity was available at the relevant interconnection point every year in the last five years in the minimum amount of 10% of the technical capacity.

When determining additional capacities from the overbooking and repurchasing program, the Transmission System Operator accordingly takes into consideration the additional capacities that are available from other contractual congestion management measures.

Irrespective of the previous provisions of this Article, the Transmission System Operator may announce additional capacities in the first year after the relevant congestion management procedure has been introduced, but only in such a volume that the total capacities which the Transmission System Operator offers in connection with the contractual congestion management measures do not exceed 5% of the technical capacity of the relevant interconnection point. The limit of 5% referred to in the previous sentence increases to 10% in the second year after the start of the relevant congestion management procedure, and in the third and subsequent years it increases to 15%.

29. Article 29
(Capacity Buy-back)

If based on received nominations or by another appropriate means the Transmission System Operator establishes that network users are planning to use, at a certain interconnection point in a certain day or a longer period of time, all booked firm capacities in accordance with Transmission Contracts which together exceed the technical capacity of such interconnection point, the Transmission System Operator shall inform all network users who have Transmission Contracts for firm capacities concluded for the relevant period and at the relevant connection point about the valid repurchase procedure, and invite them to submit their offers for the repurchase of capacities.

The Transmission System Operator shall also indicate in the invitation the deadline for the submission of offers.

Network users’ offers shall include the quantity of offered firm capacities and the price per unit.

After the end of the offer submission deadline, the Transmission System Operator shall choose the offers containing the lowest prices. If several offers have the same price, the Transmission System Operator shall make a decision based on the order in which offers were received.

If the Transmission System Operator repurchases from a network user the transmission capacity offered this way, the Transmission System Operator shall offset, partly or in whole, the contractual obligation for such repurchased transmission capacity with the network user’s obligation arising from the Transmission Contract. The debtor shall settle any outstanding liability. The payment conditions on invoices issued this way shall be equal to those specified in the act regulating the charging for network charges.

If the volume of received offers is insufficient to realise Transmission Contracts for additional capacities, the Transmission System Operator shall reject the part of nominations for additional capacities that are technically impossible to realise, using the pro rata method. For the rejected part of nominations, the Transmission System Operator shall allocate natural gas from the imbalance position system in the extent and in the way as enabled by the imbalance position system. The allowed exceeded quantities and any unpermitted exceeded quantities are charged at the price for allowed exceeded quantities.

30. Article 30
   (Method of Charging)

The Transmission System Operator shall charge additional capacities in accordance with this Act in the same way as other firm capacities on the primary market.

VII. PUBLICATION OF INFORMATION

Article 31
   (Method of Publication)

The Transmission System Operator ensures the publication of information in accordance with the requirements of the regulation.
The published information is provided in a clear and transparent way and available to all users equally.

**Article 32**  
* (Period of Data Keeping)  
The Transmission System Operator shall archive and keep the data referred to in Chapters IV and VI herein for a period of five years after they have been published.

**33. Article 33**  
* (Capacity Unit)  
Capacities are expressed in units of energy per time unit using the following unit of energy: kWh/day or kWh/h.

**VIII. TRANSITIONAL AND FINAL PROVISIONS**

**34. Article 34**  
* (Allocation of Annual Capacity at the Entry and Exit Points in the Republic of Slovenia in the First Gas Year)  
In accordance with this Act, the first gas year shall last from 1 January 2015 to 30 September 2015.

The first annual capacity that is allocated at the entry and exit points in the Republic of Slovenia in accordance with this Act is exceptionally set for a nine-month period of time due to the transition from the calendar year to the gas year, starting on 1 January 2015 and ending on 30 September 2015 (the first gas year). The network users shall provide requests to the Transmission System Operator for access to the transmission system by 31 October 2014 inclusive for the booking of transmission capacities for the first gas year.

**35. Article 35**  
* (Option to Extend the Existing Long-term Transmission Contracts for Entry and Exit Points in the Republic of Slovenia)  
If, on the day when this Act enters into force, a network user holds a long-term Transmission Contract for the entry and exit points in the Republic of Slovenia concluded with the Transmission System Operator and such contract ends on a date after 30 September of the last calendar year of the contract’s validity, a network user can conclude an Annex to such contract with the Transmission System Operator extending the validity period of the long-term Transmission Contract to 30 September of the next calendar year. Such network user shall submit a written request for the extension of the duration of such contract to the Transmission System Operator by 28 February of the last calendar year in which the contract is still valid.

**36. Article 36**  
* (Change of Time Interval for the Accounting D-day)  
Due to the transition to a new gas day, the change of the time interval for the accounting D-day shall be implemented on the first gas day which shall, therefore, exceptionally last from 8:00 AM of 1 December 2014 to 6:00 AM of the next day.
With this change, the gas day shall become a new accounting interval used to nominate the use of the booked transmission system capacities and to balance and charge for deviations of the intake and offtake of natural gas at all entry and exit points of the transmission system.

37. Article 37
(Convocation of Contractual Capacities to Energy Units)

The contractual capacities which are the subject of the network users’ Transmission Contracts that are valid at the time when this Act has entered into force and which are expressed in the quantity unit Sm³/day, are converted to the energy unit kWh/day using the conversion factor 10.68kWh/Sm³, which derives from the average of the natural gas energy values in the Republic of Slovenia in 2013. The calculated capacities are rounded to whole numbers without decimals.

38. Article 38
(Beginning of Data Provision on Transmitted Quantities of Natural Gas and Prices of Tariff Items in Energy Units)

The Transmission System Operator shall introduce a system-based determination of transmitted quantities in energy units in accordance with Article 33 of this Act and the charging method in accordance with the Act determining the methodology for charging for the network charge for the gas transmission network (the Official Gazette of the Republic of Slovenia, No. 61/12, 64/12 - corr., and 47/13) from 1 December 2014 onwards. From that day onwards, energy units are considered accounting units for the determination of transmitted quantities, for charging the transmission and the natural gas intake and offtake deviations, and for expressing quantities of natural gas which network users must nominate for the intake and offtake points of their balancing group in advance.

Moreover, from 11 December 2014 onwards the energy units are considered accounting units for charging for the network charge for booked transmission capacities at all entry and exit points in the transmission system. For the purpose of charging for the network charge and the balancing of natural gas intake and offtake deviations, the prices of tariff items, which are determined in EUR/Sm³, EUR/Sm³/h or EUR/Sm³/day in accordance with the Agency’s Act determining the network charge for the natural gas transmission system and the rules for calculating deviations of the intake and offtake of natural gas (the Official Gazette of the Republic of Slovenia, No. 23/11), are converted to EUR/kWh, EUR/kWh/h or EUR/kWh/day each time a change occurs using the conversion factor referred to in Article 37 herein.

Article 39
(Termination)

As of the start date of the validity of these Rules, the Rules on the procedure for the implementation of Regulation 715/2009/EC shall cease to apply, except Articles 4 to 6 and Articles 13 to 17 in the part that refers to the allocation of short-term capacities at connection points and the cessation of use which is determined in the Transmission System Operator’s Rules on terms and conditions as well as the capacity allocation mechanisms at interconnection points of the transmission system through an auction.

As of the day which, in accordance with this Act, is set as the planned beginning of capacity allocation at entry and exit points in the Republic of Slovenia in the first gas year, the following provisions of the Transmission System Operator’s General Act for the implementation of public authorisations shall cease to apply in the parts that refer to the
conditions and method of allocating such capacities at entry and exit points in the Republic of Slovenia:

- 6. Articles 6 and 7 of the System operating instructions for natural gas transmission (the Official Gazette of the Republic of Slovenia, No. 89/05), and
- 16. Articles 16 to 23 of the General conditions for the supply and consumption of natural gas from the transmission network (the Official Gazette of the Republic of Slovenia, No. 89/05).

The provision referred to in the 24th indent of Article 3 of the System operating instructions for natural gas transmission (the Official Gazette of the Republic of Slovenia, No. 89/05), which determines the time interval of the accounting D-day, shall cease to apply at the start of the first gas day, and a new accounting interval shall apply for the accounting D-day in accordance with Article 36 of this Act.

Article 40
(Date of Entry into Force)

These rules shall enter into force on the day after their publication in the Official Gazette of the Republic of Slovenia.

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