On the basis of the fourth paragraph of Article 90 and the seventh paragraph of Article 120 of the Gas Supply Act (Official Gazette of the Republic of Slovenia, No 204/21 and 121/22), in accordance with the Act on the mandatory content of the network code for the natural gas transmission system (Official Gazette of the Republic of Slovenia, No 17/15, 66/17 and 204/21 - ZOP), the transmission system operator Plinovodi d.o.o. hereby issues, after having obtained the consent from the Energy Agency No 112-20/2024/6, dated 17th April 2025, the

NETWORK CODE

FOR THE GAS TRANSMISSION SYSTEM

I. GENERAL PROVISIONS

Article 1

(Substance)

(1) This Act governs the operation and management of the gas transmission system referred to in Article 2 of this Act (hereinafter: transmission system).

(2) This Act provides:

- Technical and other conditions for a safe operation of the transmission system in order to secure a reliable and high quality gas supply;
- The conditions and method to connect to the system;
- The system access implementation method;
- The rules on the operation of the transmission system's virtual point;
- The method of ensuring system services;
- The transmission system operation procedures in a crisis situation;
- General conditions for the delivery and offtake of gas from the transmission system;
- Technical conditions for connection and operation of systems of different system operators;
- Conditions for meeting and maintaining the required physical and chemical parameters of gas for intake into the system, transmission and offtake from the system;
- Rules on data exchange, data ownership and responsibility for consumption metering;
- Rules governing the implementation of Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (recast) (OJ L No 2024/1789 of 15 July 2024; hereinafter referred to as: Regulation 2024/1789/EU);

- Rules governing the implementation of the Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013 (OJ L No 72 of 17 March 2017, p.1 ; hereinafter referred to as: Regulation 2017/459/EU);

- Rules governing the implementation of the Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks (OJ L No 91 of 27 March 2014; hereinafter referred to as: Regulation 312/2014/EU).

(3) This Act provides the roles of the transmission system operator, transmission system users, system operators connected to the transmission system, gas suppliers, final consumers of gas and other persons involved in gas transmission via the transmission system or who execute transactions with gas quantities in the respective system, use transmission system operator's services in providing the gas transmission system operator public service or who carry out engineering, construction and maintenance of the transmission system.

(4) This Act governs the roles of market participants laid down in accordance with contractual agreements, liabilities to customers, data exchange and rules about the settlement, data ownership and responsibilities for the measurement of gas consumption.

Article 2

(Scope)

(1) This Act shall apply for all legal relationships related to the transmission system owned by Plinovodi d.o.o. as the transmission system operator (hereinafter: the transmission system operator).

(2) This Act shall also apply for the transmission system referred to in the previous paragraph in the time and under the conditions of the Gas Supply Act (Official Gazette of the Republic of Slovenia, No 204/21 and 121/22; hereinafter: ZOP) when another certified transmission system operator is temporarily performing the gas transmission system operator public service.

Article 3

(Contractual Settlement of Relationships)

(1) The contracts concluded by the transmission system operator with persons referred to in the third paragraph of Article 1 of this Act shall comply with EU regulations, the law or another regulation, general act of the Energy Agency (hereinafter: The Agency) and this Act.

(2) If this Act refers to another act of the transmission system operator (e.g. internal technical norm, operational instructions), such act shall oblige the transmission system operator, whereas it shall oblige other persons only if such act was issued by public authority.

Article 4

(Definitions)

(1) For the purpose of this Act, following definitions shall apply:

- "**virtual point member**" means a legal or natural person who obtains rights and obligations related to the use of virtual point services via the registration process by concluding the membership contract with the transmission system operator;

- "**virtual point membership**" means the status of a member from the date of membership contract conclusion until the termination of membership in accordance with this Act;

- "**energy**" is the heat energy expressed in kWh, released during the combustion of gas and calculated based on the quantity and calorific value of gas;

- "**calorific value**" means the upper calorific value of gas, i.e. the heat that is released with air during total combustion of gas where water entirely condenses. It is expressed in kWh/m^3 at the combustion temperature 25°C and at gas temperature 0°C and at the standard pressure 1.01325 bar;

- "**MRS, MS**" is the station where the delivered quantity of gas for one or more customers is metered and equipped with devices and equipment for the cleaning, metering and regulation of flow and pressure and for the measurement of the gas temperature;

- "**disproportionate costs**" means the costs related to the connection to the transmission system, which are covered by the system user, namely in the amount that ensures economic eligibility of investment in a new connection;

- "**standard cubic meter**": (hereinafter: Nm^3): means the quantity of gas in the volume of 1 m^3 at the absolute pressure of 1.01325 bar and the temperature of 0°C;

- "**new technical capacity**" means an investment in the transmission system with the construction of a new interconnection point or reconstruction of the existing interconnection points in order to increase their technical capacity;

- "**MRS, MS, RS equipment**" is the entire mechanical and electrical equipment in a building and other relevant equipment outside the building up to the fence or otherwise protected surrounding area. It includes the entry and exit pipeline up to the separation shut-off elements and the equipment used to regulate gas pressure and protect from exceeding the set gas pressure in a controlled process where the delivered quantity of gas is metered for one or more customers;

- "**contractual capacity**" means the capacity which the transmission system operator has allocated to a system user in accordance with the transmission contract;

- "**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;

- "**connection place**" means a point in the transmission system where the pipeline managed by the user is or will be connected;

- “**connection**” means a pipeline or a part of pipeline, including the necessary buildings and MRS or MS equipment and the system of interconnected devices, which is intended to connect the transmission system and the offtake point or the distribution system;

- “**primary market**” means the market in which the transmission system operator directly trades with transmission capacity;

- “**available capacity**” means the part of the technical capacity which is not allocated and which is available in the system at a given moment;

- “**secondary market**” means the market of capacities at an individual relevant point to which the transmission contract refers;

- “**variant 1**” is a model used to provide information, where the information for daily metered deliveries and non-daily metered deliveries is based on the allocation of the metered flow in one gas day;

- “**MRS, MS, RS building**” is the construction part of a facility, including the fenced or otherwise protected surroundings;

- “**capacity**” means the maximum possible flow expressed in the energy unit (kWh/h).

(2) Other terms, used in this Act shall have the same meaning as defined by the Gas Supply Act (ZOP), Energy Act (Official Gazette of the Republic of Slovenia, No 38/24; hereinafter: EZ-2) and Regulation 2024/1789/EU.

II. DEFINITION OF THE TRANSMISSION SYSTEM

1. TRANSMISSION SYSTEM

Article 5

(General Provision)

(1) The transmission system comprises the entire transmission network, including the storage capacity of the pipeline, and all facilities used to carry out system services.

(2) The transmission system is comprised of:

- Gas transmission system;

- System of interconnected devices;

- Management system;

- Compressor stations;

- Regulation, metering and metering-regulation stations;

- Facilities, devices and equipment for the operation, maintenance and management of the transmission system.

(3) Rights in rem and other rights on real estate, which are necessary for the construction, reconstruction, operation, control and maintenance of buildings, devices and networks referred to in the previous paragraph are also integral parts of the transmission system.

Article 6

(Gas transmission system and System of interconnected devices)

(1) The gas transmission system comprises:

- The pipeline network intended for the implementation of gas transmission;
- The pipeline network which forms part of the transmission system in accordance with EZ-2 regardless of its pressure level;
- Interconnection pipelines for the connection with other transmission systems, gas storage facilities, liquefied natural gas (hereinafter: LNG) devices, and the upstream network;
- Connections for the connection of system users;
- Other pipelines, which are functionally a part of the transmission system and necessary for its operation.

(2) The system of interconnected devices is comprised of all facilities and devices connected to the pipeline system which are necessary for its operation, maintenance, protection and control, such as bridging units, channels, pipeline markings and obstruction lighting, cathodic protection, telecommunication lines along the pipeline system, warning devices, section shut-off stations and distribution stations, chromatography devices etc.

(3) The transmission system operator shall determine the border between the transmission system and other networks and devices together with owners or operators of such other networks and devices so as to ensure a safe and reliable operation, control and maintenance of the transmission system, and so that the transmission system does not include the pipelines and networks which are not necessary for this purpose.

(4) The border between the upstream network and the transmission system is the external border of the transmission system’s metering-regulation station.

(5) The border between the transmission system and the distribution system or between facilities and devices of final customers is usually the insulation flange, which is located approximately 1m outside the metering or metering-regulation station in the direction towards the distribution system or the final customer in the transmission system.

Article 7

(Management system)

The management system consists of:

- A building or a part of building or premises intended for the implementation of the management system tasks, together with ancillary premises, including the dispatch centre; in the case of a part of building or individual premises, the management system also includes the accompanying common parts of building;
- The information system for the transmission system management with the necessary software and databases;
- The telecommunication system for the transmission system management;
- The telemetric system for the transmission system management;
- Devices to ensure electric power supply;
- Devices and installations for the management system protection;
- All equipment necessary for the management system operation.

Article 8

(Stations)

(1) The compressor station comprises:

- A building or several buildings intended for the installation of devices and plants for gas compression in the transmission system, the installation of equipment necessary for the operation and maintenance of these devices and plants, and for the part of the staff needed for the operation and maintenance of these devices and plants, including all connections and ancillary facilities;
- The entry pipeline to the separation shut-off element, and the exit pipeline, including all installations, devices and elements of the pipeline;
- Devices to ensure the electric power supply;
- Devices to increase the gas pressure in the transmission system;
- Gas cooling devices after the pressure increase;
- Compressed air devices;
- Gas heating devices;
- Terminal and processing devices of the information and telecommunication system;
- Facilities and devices for the protection of the compressor station;
- Facilities and devices to ensure fire safety;
- Facilities and devices for the maintenance of the compressor station;

- All other equipment necessary for the operation, maintenance, control and protection of the compressor station.

(2) The regulation station comprises:

- A building or several buildings intended for the installation of devices and plants for the gas pressure regulation and the protection against exceeding the set gas pressure in a controlled process, the installation of equipment necessary for the operation and maintenance of such devices and plants, and for the part of the staff needed for the operation and maintenance of these devices and plants, including all connections and ancillary facilities;
- The entry and exit pipeline to the separation shut-off elements, including all intermediate installations and elements of pipeline;
- Devices for the gas pressure regulation;
- Gas heating devices;
- Devices to ensure electric power supply;
- Facilities and equipment for the protection of the regulation station;
- Facilities and equipment to ensure fire safety;
- Equipment necessary for the operation and maintenance of the regulation station.

(3) The metering-regulation station comprises:

- A building or several buildings intended for the installation of devices, plants and equipment for the measurement of the delivered quantity of gas for one or more customers and for the cleaning, metering and regulation of the flow, pressure and temperature of gas, including all connections and ancillary facilities, or
- A mobile facility or several mobile facilities intended for the installation of devices, plants and equipment for the measurement of the delivered quantity of gas for one or more customers, and for the cleaning, metering and regulation of the flow, pressure and temperature of gas, including all connections and ancillary facilities;
- The entry and exit pipeline to the separation shut-off elements and the exit pipeline to the border between the transmission system and the distribution system or between facilities and devices of final customers;
- Devices for the measurement of flow and other necessary parameters;
- Devices for the gas pressure regulation;
- Gas heating devices;
- Devices to ensure electric power supply;
- Facilities and equipment for the protection of the regulation station;
- Facilities and equipment to ensure fire safety;

- Equipment necessary for the operation and maintenance of the metering-regulation station.

(4) The metering station comprises:

- A building or several buildings intended for the installation of devices, plants and equipment for the measurement of the delivered quantity of gas for one or more customers and for the cleaning of gas and the metering of the flow, pressure and temperature of gas, including all connections and ancillary facilities;
- The entry and exit pipeline to the separation shut-off elements and the exit pipeline to the border between the transmission system and the distribution system or between facilities and devices of final customers;
- Devices for the measurement of flow and other necessary parameters;
- Devices for the gas pressure measurement;
- Gas heating devices;
- Devices to ensure electric power supply;
- Facilities and equipment for the protection of the metering station;
- Facilities and equipment to ensure fire safety;
- Equipment necessary for the operation and maintenance of the metering-regulation station.

Article 9

(Facilities, Devices and Equipment for the Maintenance and Performance of System Services)

The transmission system also comprises:

- Buildings, parts of building or premises intended for the installation or storage of devices and equipment for carrying out urgent maintenance works in the transmission system and for the performance of system services, the implementation of such work, and for the staff performing such works (call centre, premises for maintenance staff, etc.), together with ancillary premises; in the case of a part of building or individual premises, such premises also include the accompanying common parts of building;
- Installed and movable devices and equipment necessary for the implementation of urgent maintenance works in the transmission system and the performance of system services;
- Installed and movable devices and equipment necessary for the implementation of the transmission system control;
- Information and telecommunication systems, devices and equipment for the provision of information on the condition of the transmission system if not already included in the previously indicated parts of the transmission system.

2. LEGAL STATUS AND RECORDS RELATED TO THE TRANSMISSION SYSTEM

Article 10

(Legal Status of the Transmission System)

(1) All facilities, devices, networks, equipment and rights referred to in Articles 5, 6, 7, 8, and 9 herein are the transmission system.

(2) The facilities, devices and networks of the transmission system, including the relevant rights referred to in the third paragraph of Article 5 herein are infrastructure in accordance with EZ-2..

(3) The facilities, devices and networks of the transmission system, which are public infrastructure in accordance with the act governing construction, constitute energy infrastructure.

Article 11

(Ownership of the Transmission System)

In accordance with ZOP, the transmission system operator must own all facilities, devices, networks and equipment and be a holder of all necessary rights on items referred to in Articles 5, 6, 7, 8, and 9 herein, which form the transmission system used to carry out the activity and tasks of the gas transmission system operator.

Article 12

(Records Regarding the Transmission System)

(1) The transmission system operator shall keep one or more records regarding technical and locational properties of items and legal properties of the rights that form the transmission system referred to in Articles 5, 6, 7, 8, and 9 herein.

(2) The transmission system operator shall keep the records referred to in the previous paragraph so that they ensure a safe and reliable operation of the transmission system, the control of the transmission system and safety and protected zones of pipelines, the provision of data for engineering and spatial intervention in the safety or protected zone of pipelines, the provision of data for the planning of the transmission system development and its renovation, and the provision of data for carrying out other tasks of the transmission system operator.

(3) The records referred to in the first paragraph of this Article shall be kept and prepared in the way that enables simultaneous keeping of records of infrastructure referred to in Article 107 of the EZ-2 and the keeping of a common cadastre of the public infrastructure, which is a part of the transmission system.

(4) The transmission system operator shall enter into the common cadastre of the public infrastructure all finished land survey plans for new constructions of pipelines, which will become integral parts of the transmission system, and regularly update such data.

(5) The transmission system operator shall operate and maintain a unified information system in which data necessary for the operation of the gas market and the provision of reliable gas supply are collected and managed. The transmission system operator shall publish the applicable rules for access and functioning of the unified information system on its website, after receiving the Agency's consent.

(6) The transmission system operator was appointed by the Agency's decision as the forecasting party in the balancing area of the gas networks of the Republic of Slovenia and performs forecasting of non-daily metered intakes of network users based on the currently valid methodology, which is published on the transmission system operator's website.

(7) The transmission system operator shall process identifiers for determining entities and supervise data exchange processes in accordance with the relevant act adopted by the Agency.

III. TECHNICAL AND OTHER CONDITIONS FOR SAFE OPERATION OF THE TRANSMISSION SYSTEM WITH THE AIM OF ENSURING A RELIABLE AND HIGH-QUALITY GAS SUPPLY

1. ENSURING A SAFE, RELIABLE AND EFFECTIVE OPERATION OF THE TRANSMISSION SYSTEM

Article 13

(General Obligations of the Transmission System Operator)

(1) The transmission system operator shall ensure a safe, reliable and effective operation of the transmission system with proper planning, construction and maintenance of the system and other equipment, diligent management and implementation of control over the transmission system, and the supervision of all interventions in the protected zone of pipelines.

(2) Notwithstanding other provisions of this Act, the transmission system operator shall implement all necessary organisational and other measures to enable the earliest detection of disruptions in the operation of the transmission system, the elimination thereof and the measures for operation until the disruptions have been eliminated. The transmission system operator shall implement its organisation and operation so that it can uninterruptedly accept system users' reports about disruptions in the withdrawal of gas.

(3) When carrying out their activities, the transmission system operator and system users shall always ensure with due diligence and care the maximum level of safety in the operation of the transmission system and networks, which are connected to the transmission system, and energy facilities, devices and installations.

(4) By connecting facilities, devices and installations of gas customers to the transmission system, the transmission system operator shall accept no responsibility for the technically proper and safe operation of these facilities, devices and installations arising from the submitted operating permits or relevant documents, in accordance with the provisions of this Act.

Article 14

(Obligations of System Users)

(1) A transmission system user shall ensure to the transmission system operator free access to the pipeline, stations and metering devices, when these are located at it real estates.

(2) The transmission system user who cannot accept or deliver gas in accordance with the nomination due to force majeure, unexpected maintenance works, disruptions at the acceptance or offtake point or due to other reasons, shall be obliged to immediately inform the transmission system operator of such issues.

(3) Before the withdrawal or delivery of gas, the transmission system user shall inform the transmission system operator about operators of energy devices by individual offtake points, as well as contact persons on duty who are responsible for their maintenance, and provide the contact data. The transmission system user shall immediately inform the transmission system operator of any changes of such data. On each call by the transmission system operator, the transmission system user shall provide all data by offtake points, which the operator needs to prepare the emergency plan.

Article 15

(Actions in the Case the Transmission System is at Risk)

The transmission system operator shall prepare instructions in accordance with the regulations that govern the protection against natural disasters and other accidents, and act in accordance with them in the case the transmission system is at risk.

Article 16

(Actions in the Case of Damage, Disruptions and Malfunctions)

(1) The transmission system operator shall immediately and in the shortest possible time repair and eliminate any damages and disruptions that occur in the transmission system.

(2) The dispatch centre shall immediately forward to the teams on duty any information about disruptions in the operation, damage or malfunction in the transmission system and about any sudden events that affect the operation of a part or the entire transmission system.

(3) Together with teams on duty, the dispatch centre shall immediately carry out all possible interventions in the transmission system to prevent any material damage and injuries of people.

(4) The transmission system operator shall have expert operational teams organised and equipped in the proper state of readiness, who are able to carry out all necessary interventions to

eliminate damages or disruptions in the transmission system and arrange the organisation of the necessary repairs to establish a balanced operation in the shortest possible time.

(5) If any damage, disruption or malfunction occurs in the transmission system due to force majeure or actions taken by third persons and the transmission system operator acts in accordance with this Article and other regulations and general acts, it shall not be liable for damages due to temporary limitation or interruption of the gas transmission, if there are no other foundations for the existence of the liability for damages in accordance with the general rules of the law of obligations.

Article 17

(Ensuring Reliable Supply of Gas)

(1) To ensure reliable supply of gas, the transmission system operator shall carry out all the tasks arising from Regulation (EU) No 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L No 280 of 28 October 2017, p. 1; hereinafter: Regulation 2017/1938/EU), EZ-2, Gas Supply Act and plans of the competent authority of the Republic of Slovenia, drawn up on its basis.

(2) During the period when a gas supply emergency level is declared, the transmission system operator shall in light of ensuring the safe operation of the system enable the transmission for the supply of gas to protected customers and other customers, in accordance with the plan of the competent authority regulating gas supply.

2. PROCEDURES FOR THE OPERATION OF THE TRANSMISSION SYSTEM IN CRISIS SITUATIONS

Article 18

(Operation in Crisis Situations)

(1) A crisis situation in the transmission system is any event or circumstance that disrupts the balanced operation of a part or the entire transmission system, interrupted transmission or stopped gas supply.

(2) In the event of crisis situations in the transmission system, the transmission system operator shall have the right and obligation to immediately implement any possible technical measures to prevent the propagation of disturbances and establish an uninterrupted transmission of gas.

(3) If the transmission system operator fails to fulfil, in part or fully, the contractual obligations due to a crisis situation, it shall be free of any obligation to the users throughout the duration of such crisis situation.

(4) During a crisis situation, a user shall pay for system use in accordance with the general act of the agency that regulates the network charge for the transmission system use, however the user shall not be obliged to pay for system use if the crisis situation is caused by force majeure.

(5) The transmission system operator shall immediately and in the fastest way inform in writing the affected users of the transmission system of the occurrence of a crisis situation.

3. CONTROL AND PROTECTION OF THE TRANSMISSION SYSTEM

Article 19

(Marking the Pipelines of the Transmission System)

(1) The route of the pipeline shall be marked above ground with marking boards, markings for the control of the pipeline route from the air and warning boards.

(2) The changes of pipeline axis direction of pipelines with operating pressure of up to 16 bar inclusive shall be marked with marking boards, which shall specify:

- The number;
- The diameter;
- The depth; and
- The distance of pipeline from a bollard.

(3) During the construction, the pipeline shall be equipped with a warning stripe containing the sign “PLINOVOD”, placed 0.50m above the pipeline.

(4) In the case of pipelines with operating pressure above 16 bar, bollards for vertical signalisation shall be placed at a minimum of every 1000m of the level part of high-pressure pipeline and in the case of any significant changes of pipeline axis direction. Such bollards shall usually be placed at a minimum distance of 0.80m from the pipeline axis.

(5) In the case of crossings, such as roads, watercourses, railway tracks, etc. markings or warning boards shall be placed at both sides of the facility that is crossed by the pipeline.

Article 20

(Control of the Transmission System)

(1) The transmission system operator shall ensure regular control of the facilities and devices of the transmission system and regularly inspect the pipelines and their safety zones.

(2) The transmission system operator shall ensure the physical protection of facilities and devices of the transmission system considering the level of risk and taking account of the risks they are exposed to.

(3) By means of internal instructions, the transmission system operator shall arrange in detail the obligations and procedures regarding the control, inspections and physical protection.

4. ENSURING BALANCED OPERATING CONDITIONS IN THE TRANSMISSION SYSTEM

Article 21

(General Obligation of the Transmission System Operator)

(1) The transmission system operator shall ensure the balanced operating conditions in the transmission system.

(2) Within the technical limits, the transmission system operator shall balance the flow-pressure conditions in the transmission system to ensure a safe and reliable operation.

(3) For the needs of the transmission system management, billing of the services and the determination of the quantities of gas that was accepted in the transmission system or delivered from it, suitable metering devices shall be placed at all entry and exit points.

Article 22

(Ensuring Gas for System Operation)

To ensure a safe and reliable operation of the transmission system, the transmission system operator shall ensure the supply of gas to cover its own needs in transparent, non-discriminatory and market-based procedures, taking account of the technical requirements and requirements regarding the reliability of the gas supply.

Article 23

(Dispatch Centre)

(1) The transmission system operator shall organise a dispatch service, which will carry out an uninterrupted 24-hour control of the operation and management of the transmission system (hereinafter: dispatching centre).

(2) The control over the operation and management of the transmission system shall be implemented using the process, metering, registration, telemetric equipment and software, which enable:

- The monitoring of the process parameters of gas (physical and chemical properties of gas, which are important for the transmission) and the transmission system management;
- The recording of entry and exit quantities and process parameters of gas in the transmissions system;
- The determination of quantities of gas in the transmission system;
- The simulation and forecasting of flow-pressure conditions in the transmission system;

- The identification and alarming of crisis situations and unbalanced conditions of operation;

- The control over the operation and the management of key facilities in the transmission system. such as metering-regulation stations, compressor stations and other facilities.

(3) The dispatch centre of the transmission system operator shall have suitable information connection with dispatch centres of other transmission system operators that are adjacent or linked with the transmission system operator's system. The dispatchers' work procedure is regulated with internal instructions for transmission system operator's work.

(4) The received information on disruptions in the operation of the transmission system or individual pipeline facilities or on extraordinary events is recorded in the dispatch log and analysed. Based on the findings, the necessary measures for the elimination of disruptions and the restoration of the transmission system balanced operation are taken.

Article 24

(Co-ordination with Adjacent Systems)

(1) The transmission system operator's dispatch centre shall have constant connection with operators of the adjacent transmission networks for the needs of the co-ordination with adjacent transmission systems.

(2) When managing the transmission system, the transmission system operator shall observe the contractual provisions of transmission contracts with transmission system users and balancing contracts with balancing group leaders.

5. MAINTENANCE OF THE TRANSMISSION SYSTEM

Article 25

(General Obligation of Maintenance)

(1) The transmission system operator shall maintain the transmission system by continuously keeping it functional, operational and safe.

(2) The transmission system operator shall supplement the transmission system by maintaining the facilities and devices of the transmission system, which means renovating them from time to time, changing the worn out component parts and/or changing their construction, thus increasing their value, extending their operational life and improving the properties of operation (investment maintenance).

(3) The transmission system operator shall maintain the transmission system by observing the best practices and state-of-the-art technologies, paying special attention to safety, reliability and efficiency of transmission devices.

(4) The transmission system operator shall pay proper attention to the protection of the environment and ensuring suitable ways to fulfil the environmental objectives.

Article 26

(Maintenance Plans)

(1) The transmission system operator shall ensure effective maintenance of the transmission system by preparing annual plans of current maintenance including the list of planned works and interventions.

(2) The supplements to the transmission system referred to in the second paragraph of the previous Article shall be implemented by the transmission system operator based on tentative two-year plans of maintenance works.

(3) If certain maintenance works must be implemented due to extraordinary events, the maintenance plan shall be properly changed or amended in the planned period immediately after the occurrence of such extraordinary events.

Article 27

(Maintenance Works)

(1) To ensure a safe and reliable operation of the transmission system, the transmission system operator shall implement the planned and other necessary maintenance works.

(2) In the case of malfunctions and disruptions in the transmission system which affect or which could affect its safe and reliable operation, the transmission system operator shall implement the extraordinary and unplanned works to ensure an uninterrupted and reliable operation of the transmission system in the shortest possible time.

(3) The works referred to in the first and second paragraph of this Article primarily include:

- The protection against mechanical, electrical and chemical effects;
- Prevention inspections;
- Repairs and reconstructions of the transmission system;
- Maintenance of the transmission system;
- Control over routes and activities of third parties in the protected zone;
- Repairs and replacements of equipment.

(4) The transmission system operator shall implement the works referred to in the previous paragraph, which cause a temporary limitation or interruption of gas transmission in accordance with Article 58 herein. The transmission system operator shall inform the users of any planned implementation of works in accordance with the third paragraph of Article 95 of the Gas Supply Act.

(5) The transmission system operator shall not be liable for any damage caused to a system user due to a temporary limitation or interruption of gas transmission due to the performance of maintenance works on the system, provided that it acts in line with the Gas Supply Act and is not responsible for the occurrence of the need for maintenance works.

Article 28

(Planned Works in the Transmission System)

(1) The transmission system operator shall implement the planned works in the shortest possible time needed for the performance of work, and select such time, which affects gas system users the least. To select the appropriate time, the transmission system operator can request from system users the data about the planned use of the transmission system. The transmission system operator shall not be liable for damages in the case of the temporary limitation or interruption of the transmission or supply of gas.

(2) The transmission system operator shall inform, in writing and in due time, the users referred to in the previous paragraph of the planned interruption. A notification provided in a timely manner is the notification send to system users at least one month before the works are started.

(3) If the transmission system operator is called to implement certain works in the transmission system due to the need by third parties, it shall implement such works at their costs upon previous consideration of the eligibility of the requested works and the effect of the planned works on users. The transmission system operator shall previously conclude a written agreement or contract on the implementation of works.

(4) The transmission system operator shall start with the works on request by a third party after such third party has submitted an agreement between all affected users of the transmission system. If the consequences of such works are disruptions in the operation of a part of or the entire transmission system, the entity who has ordered such works shall bear the cost of eliminating such disruptions and any damage caused to users.

(5) The transmission system operator may leave the implementation of works to a third party if such entity proves that it has selected a competent contractor for the implementation of such works. The works must be implemented in accordance with the operational technical instructions of the transmission system operator.

6. TECHNICAL REQUIREMENTS AND GUIDELINES FOR THE TRANSMISSION SYSTEM

Article 29

(General Provisions)

(1) In spatial placement, engineering and building of facilities that form part of the transmission system as well as when equipping them with devices, the transmission system operator shall take into consideration the latest state of the art and use the best economically viable solutions and technologies so as to ensure maximum safety, reliability and effectiveness of the transmission system and pursuit of environmental protection and improvement goals.

(2) The transmission system operator shall also carry out the constructions, reconstructions or renovations that are not foreseen in an applicable 10-year network development plan in the matter of:

- Urgent elimination of the consequences of natural disasters or other accidents and other damages to the transmission system;
- Urgent transmission system maintenance works;
- Works that are necessary due to the allowed interventions by third parties in the transmission system's protected zone;
- Works needed for the allowed connection of new system users;
- The implementation of the investment for which the system user has ensured the coverage of disproportionate costs;
- The implementation of investments necessary to eliminate local bottlenecks in the transmission system.

(3) The transmission system operator shall conclude with due diligence and care the insurance contracts to insure the risks associated with the execution of the performance of the transmission system operator's activities. The degree and amount of cover shall include at least the machinery and fire insurance and the transmission system operator's liability insurance for direct damage to third parties.

Article 30

(Technical Requirements)

(1) The transmission system operator shall engineer and build the facilities that form part of the transmission system in accordance with the technical regulations, and equip them with devices that meet the requirements of such regulations.

(2) When engineering and building the transmission system and equipping facilities with devices, the solutions and measures that comply with the latest state of the art shall be considered, except if determined otherwise in the regulations referred to in the previous paragraph.

(3) All other persons who engineer or build parts of the transmission system shall also observe the latest state of the art and technical regulations referred to in this Article.

Article 31

(Abandoning a Part of the Transmission System)

(1) The transmission system operator may abandon a part of the transmission system by stopping to use it for the transmission of gas.

(2) A part of the transmission system can be abandoned:

- If due to the depletion of this part of the transmission system, its continued operation is dangerous or impossible, and the investments in this part of the system are not necessary or economically viable due to the replacement system capacities;

- If a new pipeline is built in the place of the abandoned pipeline due to which the current pipeline must be abandoned and decommissioned;

- If it is a case of a connecting pipeline or another part of the transmission system, which is intended only for one or more specified users who does not or do not withdraw gas from this connection or connections due to the abandonment of the connection or permanent disconnection, and it is not expected that this connection or these connections could be used for new connections by customers in the time that would justify the maintenance of this part of the transmission system and the keeping of its operational performance;

- If due to the relocation of a part of the transmission pipeline, the old part must be abandoned or physically removed;

- If due to any other reason, a part of the transmission system is no longer necessary for an uninterrupted operation of the transmission system or to ensure suitable transmission capacities in accordance with the regulations, general acts and contracts.

(3) The transmission system operator shall generally abandon a part of the transmission pipeline by taking suitable technical measures to protect it and thus enable it to be kept and maintained.

(4) The transmission system operator shall physically remove the abandoned part of the transmission system if it cannot be expected that the abandoned part of this system can be used again and if this is necessary for the implementation of the admissible and planned spatial arrangements or for the protection of the environment.

(5) The abandoned part of the transmission pipeline, which is transferred for ownership and possession to the transmission pipeline relocation investor (third party), shall no longer be an integral part of the transmission system and the transmission system operator shall no longer need to keep documentation for it.

7. INTERVENTIONS IN THE PROTECTED AND SAFETY ZONE OF PIPELINE, WHICH IS A PART OF THE TRANSMISSION SYSTEM

Article 32

(Spatial Planning in the Protected Zone of the Transmission Pipeline)

(1) The protected zone of the transmission pipeline is the land on both sides of the pipeline determined by the law or another regulation.

(2) In preparing the spatial planning guidelines, the transmission system operator shall follow the technical requirements determined by the regulations, requirements from Appendix 1 which is an integral part of this Act and in the case of interventions in the gas transmission system also the state of the art.

(3) In preparing the guidelines, the transmission system operator shall also determine any special safety measures that must be anticipated in accordance with the regulation of the minister who regulates the conditions of interventions in the protected zone of the transmission pipeline.

Article 33

(Spatial Interventions in the Protected and Safety Zone of Transmission Pipeline)

(1) For the implementation of any spatial arrangement in the sense of the act that regulates space (hereinafter: intervention) in the area of the protected zone of transmission pipeline, the investor or contractor shall obtain a written consent or opinion from the transmission system operator based on the regulation that governs the conditions for interventions in the areas of the protected zone of the transmission pipeline.

(2) Before the start of the engineering or implementation of spatial intervention, the engineer, contractor or investor of intervention shall obtain the necessary data about the position of the pipeline from the common cadastre of the public infrastructure or from the record of infrastructure of the transmission system operator. If the engineer, contractor or investor of new construction fails to obtain such data, it is liable to the transmission system operator for the damage incurred during spatial intervention.

(3) The opinion referred to in the first paragraph of this Article for the construction of facilities for which the building permit shall be obtained in accordance with the regulations governing construction, shall be issued in the procedure of obtaining the building permit. The respective opinion can be also issued before the procedure to obtain the building permit if the investor submits complete project documentation with the application that provides for the issuance of the opinion.

(4) For the construction of facilities for which the building permit is not necessary, as well as for carrying out any other spatial arrangements for which the building permit is not necessary, the investor or contractor shall obtain consent referred to in the first paragraph of this article before the start of the works.

(5) When the intervention is implemented, the transmission system operator shall issue to the investor or contractor a statement on the fulfilled conditions from the opinion or consent, after such entity has presented the plan of performed works and the land survey plan of the implemented intervention with drawn pipeline, if the conditions from the opinion or consent have been fulfilled during the implementation of the intervention.

(6) The safety zone of the transmission pipeline is the land on both parts of the pipeline inside the protected zone determined by the law or another regulation.

(7) In the safety zone, facilities, devices and installations can be built and works performed only if this is necessary for the construction, reconstruction, operation, control or maintenance of the transmission system or public infrastructure in accordance with the regulations governing construction or if the investor or contractor obtains an opinion by the transmission system operator before commencement of the work.

Article 34

(Project Conditions and opinion on Building Permit in the Protected Zone)

(1) At the request of the investor or contractor, the transmission system operator shall determine the project conditions based on the regulations and technical requirements referred to in Appendix 1 hereto.

(2) If the special safety measures, which in the case of intervention in the protected zone of pipeline must be anticipated in accordance with the regulation of the minister who regulates the conditions of interventions in the protected zone of the transmission pipeline were not determined in the spatial act that regulates the space in the area of the planned construction of a facility or another intervention based on the building permit, the project conditions shall also provide that the project documentation shall include the implementation of such safety measures.

(3) If the relocation of the transmission system is necessary due to the planned construction or another intervention that is implemented based on the building permit, and this is not already anticipated in the spatial act that regulates the space in the area of the planned construction of facility or another intervention based on the building permit, the transmission system operator shall determine in the project conditions the obligations regarding the preparation of the project documentation, which refers to the relocation of the pipeline in accordance with the regulations and this Act.

(4) If the issue of project conditions for the engineering of facility or another spatial intervention based on the building permit is not required in accordance with the construction of facilities, the transmission system operator shall follow the safety measures or obligations associated with the relocation of the transmission system when deciding about the issue of the consent to the building permit. At the request by the investor or engineer, the transmission system operator can inform them of the requirements for engineering referred to in this Article regardless of the obligation to issue the project conditions.

(5) The transmission system operator can issue the opinion only if the investor has observed all requirements for engineering referred to in this Article.

(6) If due to the planned construction or another intervention that is implemented based on the building permit, it is necessary to relocate the transmission system, such relocation shall be implemented in accordance with Article 36 herein. In such case, the transmission system operator shall issue one opinion for relocation and on for intervention in the protected zone. This provision shall also apply when special building permit must be obtained for the implementation of the safety measure referred to in the second paragraph of this Article.

Article 35

(Consent for Other Interventions in the Protected Zone of the Transmission System)

(1) To obtain the consent referred to in the fourth paragraph of Article 33 herein, the investor or the contractor shall submit to the transmission system operator the building project or plan of the implementation of other works, which is detailed enough to reliably show if the

requirements from the regulations and Appendix 1 hereto shall be observed in the construction of this facility and also if the state of the art shall be observed in the interventions in the gas transmission system. If the project is not detailed enough, the transmission system operator shall request that it be supplemented.

(2) The provisions of the second, third, fourth, fifth and sixth paragraphs of the previous Article shall also be used to decide on the issue of the consent to the intervention referred to in the previous paragraph.

Article 36

(Relocation of the Transmission System)

(1) The relocation of the transmission system is the relocation of the transmission pipeline or the facility that forms part of the transmission system together with the interconnected devices.

(2) If the relocation of the transmission system is necessary due to the planned construction or another intervention for which an individual building permit must be obtained, the investor of the planned construction or another intervention shall obtain the building permit for the relocated part of the transmission system on account and on behalf of the transmission system operator. The investor of the planned construction or another intervention may obtain the building permit for the relocation of the transmission system also on its own behalf and for its own account, but in this case the building permit obtained must be transferred to transmission system operator before the commencement of the works to relocate the transmission system.

(3) The transmission system operator shall issue the opinion for the relocation of the transmission system when the investor submits to the transmission system operator the complete project documentation and a signed contract of the arrangement of mutual relationships. After issuing an opinion on the relocation of the transmission system, the transmission system operator shall also issue an opinion for the intervention in the protected zone for which the transmission system is removed in advance.

(4) The investor referred to in the previous paragraph shall for its own account and on behalf of the transmission system operator obtain all necessary rights in rem and other rights on real estate where the replacement transmission system will be built. Prior to gasification of the replacement transmission system, it must be ensured that the easement of operation, maintenance and control of the substitute transmission system is entered into the land registry to the benefit of the transmission system operator for the entire substitute route of the transmission system throughout the duration of the transmission system.

(5) Prior to the gasification of the replacement transmission system, the investor shall obtain and submit to the transmission system operator the entire necessary documentation based on which the operation of the transmission system will be enabled in accordance with the regulations immediately after the inclusion of the replacement transmission system into the existing transmission system, including the operating permit of the relocated part of the transmission pipeline (or the record of the technical inspection without restraints for the issuance of the operating permit), the survey snapshot of the situation and a proof of the reliability of the facility.

(6) Within 30 days after gasification of the replacement or substitute transmission system, the investor of the substitute transmission system and the transmission system operator

shall conclude an agreement (handover), by which the investor of the substitute transmission system hands over the substitute transmission system to the transmission system operator for ownership and possession free of charge. At the same time, the transmission system operator hands over the part of the transmission system that was substituted with a substitute transmission system to the investor for ownership and possession free of charge.

(7) The provisions of this Article shall apply mutatis mutandis for the implementation of special safety measures, which in the case of intervention in the protected zone of transmission pipeline must be anticipated in accordance with the regulation of the minister who regulates the conditions of interventions in the protected zone of the transmission pipeline.

Article 37

(Performance of Works in Protected and Safety Zone)

(1) At least 10 days before the start of any works in the area of the protected zone of the transmission system, the investor or contractor shall submit to the transmission system operator the following documents:

- A written announcement of the start of works specifying the start date and planned dynamics;
- The project for the implementation of works with the legal building permit, if necessary for the implementation of works;
- The order for the control by the transmission system operator, and
- The data about the contractor and responsible head of works.

(2) The investor or contractor shall submit to the transmission system operator for confirmation the location presentation of the transport routes to the construction site in order to prevent any damage to the existing transmission pipeline due to the transportation.

(3) The transport via the transmission pipeline outside public roads can only be carried out via previously protected passages in agreement with the transmission system operator if the pipeline protection measures have been implemented and in accordance with the plan of the construction site arrangement.

(4) Before the start of the works, the transmission system operator shall mark out the pipeline, and the marked out route shall remain visibly marked throughout the duration of works.

(5) Works in the safety zone of the transmission pipeline are only allowed under direct supervision of the authorised representatives of the transmission system operator by observing the requirements determined in the regulations and Appendix 1 hereto, and in the case of interventions in the gas transmission system also the latest state of the art.

(6) The previous paragraph also applies to work in the safety zone of the pipeline, which are not part of the implementation of spatial intervention but which can affect the safe operation of pipeline.

Article 38

(Unauthorised Interventions in the Protected or Safety Zone of Transmission Pipeline)

(1) If the transmission system operator finds that an intervention in the protected or safety zone has been made in contradiction with the regulations or this Act, it shall immediately directly prohibit the performance of works related to such interventions to the persons performing them, and inform the state authorities competent for measures related with unauthorised spatial interventions and for the prosecution of related violations.

(2) The transmission system operator shall act the same if the permitted works in the protected or safety zone of the transmission pipeline are performed in contradiction with the project to obtain building permit or works implementation project, for which the transmission system operator has provided its opinion or consent. The transmission system operator shall act the same in the event of works being performed in contradiction with the confirmed plan of the construction site or presentation of transport routes.

(3) The transmission system operator shall ensure that the works in the safety zone are always performed under direct supervision by authorised representatives of the transmission system operator and in accordance with the instructions of these persons, whereby it shall act in accordance with the first and second paragraph if the contractor fails to perform the works under direct supervision by authorised representatives of the transmission system operator and/or fails to act in accordance with the instructions provided by such persons.

Article 39

(Costs of Intervention in the Protected or Safety Zone of the Transmission Pipeline)

(1) The investor or the contractor in the protection zone of the transmission pipeline covers the total costs incurred on the transmission system operator with spatial placement, planning and the performance of such works.

(2) The costs referred to in the previous paragraph include direct costs of these works, such as the costs of the implementation of special safety measures or the relocation of pipeline, regardless of whether they are carried out by the investor or the contractor or the transmission system operator, as well as indirect costs (e.g. obligations of the transmission system operator to third parties for the intervention into the protected or safety zone), which are incurred by the transmission system operator in relation to the works in the protected zone of the transmission pipeline.

(3) The costs related to works in the protected zone of the transmission pipeline also comprise the value of the blown out gas and the value of services and works which are performed by the transmission system operator in relation to the works in the protected zone of the transmission pipeline and would not be necessary without these works, such as expert work related to consents, control over the implementation of works, etc.

(4) If the pipeline must be relocated for the implementation of the intervention in the protection zone of the transmission system, the costs covered by the investor shall include the total

costs connected with such relocation, including the blown out gas and any related obligations to system users.

(5) For the payment of the costs of the intervention in the protected or safety zone of the transmission system, the investor or the contractor and the transmission system operator shall conclude a contract, no later than before issuing the consent or opinion for the intervention, to arrange mutual issues related to the payment of such costs, including the suitable coverage of the liability borne by the investor or the contractor.

(6) The transmission system operator can issue a consent or opinion for the intervention in the protected zone of the pipeline only if the contract referred to in the previous paragraph has been previously signed and if it has become previously effective.

IV. CONDITIONS FOR THE CONNECTION TO THE TRANSMISSION SYSTEM AND THE METHOD OF CONNECTION TO THE TRANSMISSION SYSTEM

1. DECISION ON THE RIGHT TO CONNECT

Article 40

(Right to Connect)

(1) Everyone has the right to connect to the transmission system (hereinafter referred to as: the right to connect) if they intend to build facilities and devices the use of which will make them final customers of gas, gas distribution system operators, or other system users who need to connect their facilities and devices to the transmission system, unless the conditions specified by law or other regulation are met, under which the transmission system operator may reject the connection.

(2) The right to connect at a specified connection place using a specified connection shall be obtained when the consent for connection becomes final, and it shall be executed in the way determined in the connection contract.

(3) The right to connection shall terminate if the consent for the connection terminates, and after the conclusion of the connection contract the right to connection shall terminate if such contract terminates.

(4) The right to connection shall also terminate at the moment when the transmission system operator permanently disconnects a system user in accordance with the law and this Act.

(5) The provisions of this Act on the connection to the transmission system shall not apply for the connection of two or more gas transmission systems.

Article 41

(One System User per One Connection Place)

(1) One connection place can only be used to connect facilities and devices of one final customer of gas or one distribution system operator, except in the cases laid down in this Act.

(2) The same connection place can be used to connect facilities and devices of several final customers, if they obtained the connection consent or concluded a connection contract or a system access contract with the transmission system operator by 4 September 2004 or if they were actually connected to this connection place before that date.

(3) If due to any status changes of the connection user or due to any legal transactions associated with its facilities and devices, a situation occurs in which the new owner or user of these devices withdraws gas via the connection place of the previous user of the connection, the previous user of connection can request to obtain the status of a closed distribution system. If the previous user of connection refuses to request to obtain the status of a closed distribution system or does not receive such permit, the new owner or user of such facilities and devices shall file a request for the issuance of connection consent for its connection place no later than within three months from the entry of the status change into the court registry or from the conclusion of the contract based on which it has obtained the relevant facilities or devices.

(4) If the new owner or user fails to act in accordance with the previous paragraph or if the connection consent has been rejected with the final effect, the previous user of the connection shall disable new owner or user of facilities and devices to withdraw gas via the connection place of the previous user, otherwise the transmission system operator shall act in accordance with the authorisations it has been given for the case if the final customer enabled the connection of other system users' energy devices via its energy devices without the transmission system operator's consent.

Article 42

(Request for Consent)

(1) The transmission system operator shall decide on the consent for the connection at the request by the person referred to in the first paragraph of Article 40 herein.

(2) The request shall include:

- The name or company name, address and registration number or personal identification number of the applicant;
- The data on devices where the gas will be used;
- The desired connection place and flow properties of the connection and the offtake pressure;
- The maximum and the minimum flow of gas;
- The planned beginning of the connection use;
- The period of the connection use;
- The purpose of the connection use;
- The planned volume of the connection use by individual years;
- Special features of withdrawal or delivery and specificities of gas usage technology;
- The use of substitute fuel;

- The consent by the agency if this is the connection referred to in the first paragraph of Article 59 of the Gas Supply Act.

(3) The transmission system operator issues the request form on its website.

(4) If the transmission system operator determines that the service of public service activity of the distribution system operator is performed in the area where the applicant requests a new connection, it shall terminate the procedure and refer the investor to obtain a decision of the distribution system operator regarding the rejection of the connection to the distribution system. This provision shall not apply in the decision-making process about the request for the transfer of connection consent referred to in Article 47 herein, the request for the change of system user at the connection referred to in Article 56 herein, the request for the change of technical properties referred to in Article 57 herein, and for the new connection at the connection place where the previous user has been permanently disconnected, and in the decision-making process on the connection of hydrogen producer which wishes to connect to the system and deliver hydrogen.

(5) If the investor fails to obtain a decision from the distribution system operator about the rejection of the discussed connection to the distribution system within one year from the service of the decision on the cancellation of the procedure, the transmission system operator shall reject the connection request.

Article 43

(Conditions for the Issuance of Connection Consent)

(1) Before a connection consent is issued, the transmission system operator shall check:

- If the request for the issuance of consent meets the determined technical conditions for connection;
- If the requested connection would cause major disruptions in the transmission system operation;
- If the requested connection would cause non-proportionate costs (economic viability of investment).

(2) When assessing the conditions referred to in indents 2 and 3 of the previous paragraph, the transmission system operator shall take into consideration the condition of the transmission system at the time when the request for the issuance of consent is being decided about, and the planned investments in the development of the transmission system, which are included in the valid investment plan of the system operator, and the planned dynamic of implementation within the next two years.

Article 44

(Change of Consent Request)

(1) If the transmission system operator finds that the prescribed conditions for connection at the requested connection are not fulfilled, except the condition referred to in the third indent of the first paragraph of the previous Article, or that such connection would cause major disruptions in system operation, whilst the conditions for connection would be fulfilled under different conditions and properties of the connection or major disruptions in system operation would not occur in such case, the transmission system operator shall inform the investor of this and determine the deadline in which the investor can change the request. A changed request regarding the capacity of the requested connection shall be considered a new request and the transmission system operator shall proceed in accordance with the fourth and fifth paragraphs of Article 42.

(2) If the client fails to change the request in the deadline referred to in the previous paragraph, the transmission system operator shall continue with the decision-making process regarding the filed request.

(3) If the transmission system operator finds that the connection will bring about non-proportionate costs, it shall calculate them in accordance with Articles 48 and 49 of this Act, inform the investor about the calculation and determine the deadline in which the investor must state whether or not they will cover such costs.

(4) After the end of the deadline referred to in the previous paragraph, the transmission system operator shall continue the decision-making process on the filed request, taking account of the content of the statement about the coverage of non-proportionate costs. If the client has decided to cover the non-proportionate costs, they shall be determined in the connection consent.

(5) In the complaint against the decision regarding the consent issuance request, the investor can challenge the amount of the non-proportionate costs even if the request has been rejected because the investor has failed to provide the statement about covering the non-proportionate costs or not covering them in such amount.

Article 45

(Technical Conditions for Connection)

(1) The general technical conditions for connection are determined with technical regulations in the area of gas devices, technical conditions for the construction, operation and maintenance of pipelines with the operating pressure up to and above 16 bar, conditions for interventions in the areas of their protected zones and other regulations that govern technical conditions for connection.

(2) Unless it is determined otherwise in regulations referred to in the previous paragraph, the connection shall be planned and prepared by observing the state of the art.

Article 46

(Connection Consent)

(1) The person referred to in the first paragraph of Article 40 shall obtain the connection consent for each individual connection.

(2) The connection consent shall also be obtained for:

- An increase or decrease of the maximum or minimum allowed flow according to the valid connection consent and the connection contract;
- An increase or decrease of the exit pressure according to the valid connection consent and the connection contract;
- Such change or reconstruction of connection that affects or that could affect the properties of gas withdrawal or delivery;
- The transfer of the connection to another connection place;
- The bundling of several connection places into one connection place.

(3) The connection consent shall specify:

- The connection place,
- Metering point number
- The maximum and the minimum flow of gas,
- The offtake pressure,
- The date of the planned start of the connection use,
- The planned period and the planned extent of the connection use by individual years,
- The purpose of the connection use,
- The planned dynamic of withdrawal or delivery,
- Special features of withdrawal or delivery and specificities of gas usage technology,
- The use of substitute fuel,
- The deadline for the conclusion of the connection contract,
- The total amount of any non-proportionate cost, including payment terms and conditions, and
- The technical conditions for the connection determined in accordance with Article 45 herein.

(4) The connection consent shall terminate if the person to whom the consent is addressed (hereinafter referred to as: consent holder) fails to fulfil, within 2 years after the consent has become final, the terms and conditions determined in the connection consent or order the implementation of connection by signing the connection contract.

(5) The connection contract can only be concluded with the holder of a valid connection consent.

Article 47

(Transfer of Connection Consent)

(1) If after the issue of the connection consent and before the conclusion of the connection contract, any of the following reasons occurs:

- The transfer of investment in accordance with the act governing construction in facilities, including the consent holder's pipeline for which the connection that the connection consent refers to is intended;
- The universal legal succession over the consent holder;
- The universal legal succession due to status change of the legal person, referring to the facilities and devices for which the connection that is the subject of connection consent is intended;
- Due to the legal transactions in facilities and devices for which the connection that is the subject of connection consent is intended, on a different legal basis,

the transmission system operator shall, on request by the new investor or owner, transfer the connection consent to such new person or persons.

(2) The new owner or investor shall file a request for the transfer of the connection consent no later than within 30 days from the receipt of the court or administrative decision or from the conclusion of the contract in which the reason for the transfer of consent referred to in the previous paragraph is specified. The proof of transfer of investment, the universal legal succession or the acquisition of the ownership right referred to in the previous paragraph shall be attached to the request.

(3) The connection consent shall be transferred to a new person or persons by issuing an authorisation on the transfer of the connection consent to such person or persons of the same content as the connection consent of the previous holder, and the previous connection consent shall be annulled.

2. CONNECTION COSTS

Article 48

(Assessment of Economic Viability of Connection)

(1) The transmission system operator shall assess the economic viability of connection based on the analysis of costs and benefits and using the method of the current value of cash flows, by observing the parameters from the general act of the agency regulating the methodology for the determination of the regulatory framework. To calculate the economic viability of investment in the connection, the reference economic period of the connection of 20 years shall be used.

(2) By analysing the economic viability of the connection, the transmission system operator shall use relevant indicators to evaluate the return on investment in the connection, which shows the ability of the net income to return the cost of connection.

(3) The analysis of the economic viability of connection takes account of:

- The costs for the implementation of the necessary investment (investment value);
- The planned additional costs of the transmission system operator such as the costs of maintenance and operation of the new connection;
- The cost related to the regulated return on assets connected with the implemented investment;
- The planned additional income of the transmission system operator considering the planned extent of use of connection by the system user.

(4) The connection costs include all costs, which the transmission system operator has in respect of the requested connection referred to in indents 1, 2, and 3 of the previous paragraph.

(5) The costs for the implementation of the necessary investment include the costs of connection that refer to the implementation of the connection with the metering or metering-regulation station, such as the costs of spatial placement and engineering of the connection, metering-regulation stations and any other facilities and necessary upgrades or reinforcements of the transmission system, the costs of obtaining administrative permits and the necessary rights in rem, and the costs of the construction of these facilities and devices, the costs of the connection of the facilities, devices and installations and the gasification, and all other costs that the transmission system operator would not have if the relevant connection did not take place. To calculate the costs, the current market prices and the data from the contracts of previous constructions of comparable facilities are used.

(6) The expected additional costs of the transmission system operator shall be all costs related to the regular and investment maintenance, which the transmission system operator will have considering the experience with similar energy infrastructure related to the investment referred to in the previous paragraph over the economic period of the connection use.

(7) The costs related to the regulated return on assets shall be determined in the amount as laid down in the general act of the agency that regulates the methodology for the determination of the regulatory framework.

(8) The depreciation periods for individual parts of the connection are calculated taking into account the depreciation periods and rates, which the transmission system operator used while drawing up the most recent audited annual financial statements in accordance with Slovenian, or international accounting standards and which do not exceed the tax-deductible rates.

(9) The expected additional income of the transmission system operator includes the total income of the transmission system operator related to the new connection, taking into account the nominated volume of the connection use by individual years, which arises from the request for the issuance of the connection consent. Such income is calculated as the product of the annual exit tariff of the exit point in the Republic of Slovenia and the exit tariff rate with the nominated booked transmission capacity of gas by years. The amount of the anticipated booked transmission capacity of gas in kWh/day is the entry data that is provided by the system user to the operator in the request for the connection.

(10) In assessing the economic viability of the connection for the change of the system user connection, the transmission system operator takes into account as additional costs only the part of income that exceeds any liability referring to the scope of the connection by the system user. In this case, the system user shall indicate in the connection consent application the anticipated scope of the changed connection by individual years The transmission system operator shall indicate in the operative part of the connection consent any current liability referring to the scope of the connection and the anticipated scope of the changed connection by individual years The obligation related to the scope as nominated and established in the connection consent shall also be determined in the connection contract.

(11) The transmission system operator shall establish the additional income and expenses, which are included in the analysis of the economic viability, based on the data that apply on the date when the transmission system operator has received the complete consent application for user's connection to the gas transmission system.

Article 49

(Determination of Proportionate and Non-Proportionate Costs of Connection)

(1) The connection is deemed economically viable if the anticipated additional income suffices to cover all connection costs. The transmission system operator shall bear the total costs of connection that are economically viable (proportionate costs of connection).

(2) If the expected additional costs are not enough to cover the total costs of connection, the potential consent holder has the right to connect only if the cover the part of costs not covered with the expected additional income (non-proportional costs).

(3) The transmission system operator shall determine the non-proportionate costs as the amount necessary to include in the reference economic period of the connection use the same expected entire internal rate of return on investment as the rate of the regulated return on assets of the transmission system operator, which is determined by the agency in accordance with the general act of the agency that governs the methodology for the determination of the network charge.

(4) The transmission system operator shall not be obliged to start the investment until the consent holder has concluded the connection contract, with which it undertakes to use the connection in the reference economic period in the nominated scope as arising from the connection consent and until it has paid the non-proportionate costs, if they were determined in the connection consent.

Article 50

(Failure to Fulfil the Obligations from the Connection Contract)

(1) If the system user fails to fulfil the obligations referred to in the connection contract by not using the connection or by using it in a lesser extent than agreed, the transmission system operator shall request for substitute fulfilment of the connection contract from the system user by requesting for the time when the system user is not fulfilling the obligations from the connection

contract the payment of the amount that corresponds to the amount of the network charge which the system user would have to pay if it used the connection in the anticipated scope (non-use of connection).

(2) The amount of the network charge that the system user should pay shall be determined for each individual month of booking using the equation that applies for the calculation of the amount of the fixed annual exit capacity in accordance with the general act of the agency that regulates the calculation of the network charge.

(3) The monthly amount referred to in the previous paragraph shall be calculated in an individual month for which the amount of the obligation for substitute fulfilment is being established, based on the volume of capacity, which is determined in the amount of 1/12 of the annual anticipated extent of the connection use. If the system user does not agree with such calculation, it shall communicate its monthly nomination of booking for the next gas year to the transmission system operator by the beginning of the gas year and in this case, the sum of monthly nominations cannot be lower than the nominated annual volume of the connection use.

(4) The transmission system operator shall compare the amount of the actually charged booking of transmission capacities with the monthly amount established in accordance with the second and third paragraphs of this Article by the 15th day of the current month for the previous month. If the transmission system operator establishes the non-use of the connection in accordance with the first paragraph of this Article, it shall issue an invoice for the substitute fulfilment of the connection contract due to the non-use of the connection to the system user by the end of the current calendar month. The system user shall be obliged to pay the invoice by the end of the last day of the following month.

(5) If in accordance with the first sentence of the previous paragraph the transmission system operator finds that the system user used the connection in a higher volume than nominated, it shall issue a certificate on the exceeded use of capacities for the excess of the booked capacities. The transmission system operator shall offset the established excess of the capacity use on the first or several subsequently established non-uses of connection referred to in the first paragraph of this Article, regardless of which year the non-use of the connection occurred.

Article 51

(Return of a Part of Non-Proportionate Costs due to the Connection of New System Users)

If a new user connects to the connection for which non-proportionate costs have been paid during the depreciation period of the connection, the assessment of the economic viability of connection shall include the undepreciated part of the original investment, which is covered with the income from the already charged non-proportionate costs. If based on such assessment of the economic viability non-proportionate costs are incurred on the new user, it shall pay them in accordance with this Act. The transmission system operator shall refund the share of the paid non-proportionate costs of the new user to the previous user. The share is determined in proportion with the share of the transmission capacity booking of the previous user according to the joint booking of transmission capacities at the connection. The transmission system operator shall refund the part of the non-proportionate costs to the user within 30 days after it has received the total payment of the non-proportionate costs from the user who has requested a new connection.

3. CONNECTION

Article 52

(Connection Contract)

(1) The transmission system operator and the holder of the valid connection consent shall conclude the connection contract to regulate mutual rights and obligations related to the connection, in the period determined in the connection consent after its finality and before the engineering of the connection or before a possible extension or upgrading of the transmission system, metering-regulation station or other facilities and devices necessary for the connection to the transmission system.

(2) In particular, the connection contract shall regulate:

- The volume of works that must be implemented for the connection to the transmission system;
- The maximum and the minimum flow of gas;
- The offtake pressure and the allowed deviations (tolerance) of the offtake pressure;
- The main technical properties of the connection, such as the connection point, the metering place code, the handover place and the ownership of the metering point;
- The border of the connection ownership and the method of measuring the accepted or delivered quantities;
- Mutual relationships regarding the maintenance of the connection;
- The deadline for the implementation of the investment and the beginning of the connection use;
- The period and obligation of the connection use in the nominated volume as stated in the connection consent;
- The purpose of the connection use;
- The amount and method of payment of non-proportionate costs of connection;
- The method and conditions for establishing and paying the substitute fulfilment in accordance with Article 50 herein.

(3) On the basis of the concluded connection contract, the system user does not yet acquire the right to the transmission capacities which are secured by concluding the transmission contract.

Article 53

(Connection)

(1) On the basis of the concluded connection contract, the transmission system operator shall start carrying out the preparation work that is necessary for the implementation of the connection.

(2) The transmission system operator shall connect the energy facilities, devices and installations to the transmission system by upgrading them, if necessary, in order to increase the transmission capacity or expanding the transmission system, building the necessary connection or a part of it, a suitable metering-regulation station and any other necessary facilities of the transmission system that enable the technical implementation of the connection and its use in accordance with the connection contract.

(3) The transmission system operator shall implement the connection of the energy facilities, devices and installations to the transmission system at the most appropriate point, which is determined by the transmission system operator in the time and way that ensures a minimum impact on the operation of the transmission system.

(4) Before connecting its pipeline, a system user shall submit to the transmission system operator the following documents:

- A valid license for the construction of the user's pipeline in accordance with the regulations governing the construction of facilities;

- A statement signed by the supervisor in charge and the responsible head of the construction of the user's pipeline, stating that:

  a) All the works related to the construction of the user's pipeline have been completed, except the physical connection to the transmission system;

  b) The entire construction was carried out in accordance with the valid legislation, regulations and standards;

  c) The user's pipeline has successfully passed the strength and tightness tests, and can therefore be gasified and used safely and reliably, which is proven with the record(s) about the implemented pressure tests;

  d) Facilities, devices and installations, which are integral parts of the user's pipeline or are connected with the user's pipeline, meet the prescribed technical requirements, which ensure their uninterrupted operation and the safety of people and property;

- The plan of the implemented user's pipeline with a clearly marked first blocking element from the direction of the transmission system and the plan of the anticipated linking of the user's pipeline with the connection place, including the procedure of implementing the connection and welding, which is approved in writing by the responsible supervisor or works;

- The statement of the user that its pipeline is entirely closed and shall remain such until the physical connection, specifying the date of the planned physical connection;

- The statement of the user that it will not perform or order the performance of any works, except the physical connection, before the connection and gasification at the user's pipeline;

- The user's statement that after the physical connection it will inform the authority which has issued the building permit about the completion of the connection and call the authority to issue the operating permit or decisions for start-up tests and settings.

Article 54

(Gasification)

(1) The transmission system operator shall implement the gasification in cooperation with the system user based on the technological procedure for the implementation of exceptional works.

(2) Prior to the gasification, the user and the transmission system operator shall conclude a transmission contract for the connection place, enabling the transmission of gas to the user, and the contract to ensure the balancing to the user.

(3) Gasification shall be implemented up to the first blocking element of the user's pipeline, while the pipeline is still in the closed state.

(4) Prior to the gasification, the system user shall submit to the transmission system operator the following documents:

- A valid operating permit for the user's pipeline or a decision of the administrative authority for the start-up test and settings of parameters; if the system user fails to submit the operating permit after the end of the trial operation deadline, the transmission system operator shall have the right to cancel the gas transmission;
- A proof about the competencies of the user's staff for the management of gas devices in accordance with the act governing professional training and testing of knowledge about the operation of energy devices;
- If the electronic transmission of the data on meter indications at the metering place has not yet been enabled, the record signed by the user and representative of the transmission system operator about the handover of the metering or metering-regulation station for control and recording of the withdrawal, including attachments;
- In the case of a countdown metering point during new gasification, if necessary, a valid contract of the determination of delivered quantities;
- A record on the balance at the metering point signed by the user and representative of the transmission system operator.

(5) If works were carried out at a connection that was already in operation or if changes were made to it, the system user shall also submit to the transmission system operator the documents referred to in the fourth paragraph of the previous Article before new gasification.

Article 55

(Devices of System Users)

(1) The devices and plants, which are not a part of the transmission system and are owned by transmission system users (e.g. the transfer of data about offtake, metering or odorising plants) shall be regularly controlled and maintained.

(2) Transmission system user who wants to place metering or odorising plants or equipment for the transfer of data about measurements in the transmission system, facilities and stations for its needs, shall previously obtain the conditions for the installation and the relevant right to build from the transmission system operator.

(3) Transmission system user and the owner of these devices shall communicate the contact person on duty, as well as a contractual maintenance worker, to the transmission system operator before the start-up for each device for the case if any disruptions in the operation of the device are detected.

4. CHANGES AND END OF CONNECTION

Article 56

(Changes of System User at the Connection)

(1) If based on the universal legal succession or due to status changes of a system user any change of the person withdrawing or delivering gas at the connection occurs after the conclusion of the connection contract, the new owner of these facilities and devices shall inform the transmission system operator of the change of the person withdrawing or delivering gas at the connection no later than one month after the entry of the status change into the court registry or after the conclusion of the contract based on which it has received the relevant facilities or devices. This provision shall also apply in the case of the universal legal succession of a natural person who is a system user.

(2) If due to the legal transactions in facilities and devices of the system user any change of the person to withdraw or deliver gas at the connection occurs after the conclusion of the connection contract, the new owner or user of such facilities and devices shall file a request for the transfer of the connection contract to the new owner of connection no later than one month before the date of commencement of use of the connection.

(3) The new owner or user shall enclose to the notice referred to in the first paragraph or the request referred to in the second paragraph of this Article the documents that prove the status change or the executed legal transaction.

(4) In the case referred to in the first paragraph of this Article, the transfer of connection shall be performed with the conclusion of an annex to the connection contract, which is the subject of legal succession, between the transmission system operator and the new owner or user of facilities and devices, confirming the fact that based on the universal legal succession the new system user shall enter all rights and obligations from the connection contract.

(5) In the case referred to in the second paragraph of this Article, the transfer of connection shall be performed with the conclusion of a contract of the transfer of the previous connection contract between the previous system user, new system user and the transmission system operator, so as to ensure that the new system user has all rights and obligations under a connection contract.

(6) In the case of the transfer of connection to another person as a result of the singular legal succession, the provisions about the refund of non-proportionate costs of connection referred to in Article 51 herein shall not apply.

(7) Should the new owner or user fail to inform the transmission system operator of the occurred change in accordance with the first or second paragraph of this Article, or should it fail to conclude an annex to the connection contract or an agreement about the transfer of the connection contract in a suitable period of time, the transmission system operator shall perform the shut-off on the basis of third point of the first paragraph of Article 96 of the Gas Supply Act.

Article 57

(Change of Basic Parameters of Connection)

(1) The system user shall request a new connection consent should it wish that the basic parameters of the connection change (technical properties).

(2) A change of technical properties shall be any change in the construction, volume, technical properties of withdrawal or delivery at the connection or the purpose of the connection use, which affects the gas withdrawal or delivery at the connection, and in particular in the cases referred to in the second paragraph of Article 46 herein.

(3) If the gas flow is outside of the flow determined in the connection contract, the system user shall immediately file an application to obtain the consent for the change of technical properties of the connection.

(4) At request by the system user, changes to technical properties of the connection can only be implemented after obtaining the new connection consent, which refers to the new technical properties of the connection and after the new connection contract has been concluded.

(5) The consent for the change of technical properties of the connection shall be issued by issuing a new connection consent to the system user. On the basis of the new consent, a new connection contract shall be concluded with the system user. If based on the new application for the issuance of consent for the change of connection the transmission system operator finds that the volume of connection use will decrease as compared with the already issued connection consent and the reference economic period of the original connection has not terminated yet, the system user shall also assume with the new connection contract all obligations referred to in the previous connection contract that refer to the obligation of the connection use until the end of the reference economic period.

(6) If the change of the technical properties of connection includes works that required an interruption of gas withdrawal or delivery at the connection place, the provisions of Article 54 herein shall apply for new gasification.

5. RULES REGARDING THE DISCONNECTION

Article 58

(Temporary Disconnection)

(1) The transmission system operator can temporarily disconnect a user at a connection for reasons determined in Article 95 of the Gas Supply Act.

(2) In the case of disturbances or malfunctions of the transmission system resulting from force majeure, the transmission system operator shall perform extraordinary and unforeseen works to ensure an uninterrupted and reliable operation of the transmission system in the shortest possible time.

(3) The transmission system operator shall immediately inform the transmission system users of the temporary disconnection referred to in the previous paragraph, specifying the expected time for the elimination of the disturbances.

(4) The transmission system operator shall implement the anticipated works in the shortest possible time needed for the performance of work, and select such time, which affects the respective gas system users the least.

(5) The transmission system operator shall provide in due time a written notice to the users referred to in the previous paragraph about the anticipated temporary disconnection or limited transmission. A timely notice shall be a notice sent to users a minimum of one month before the start of works.

(6) The users can propose the most convenient date for the implementation of works to the transmission system operator within seven days after the receipt of the notice referred to in the previous paragraph. If the work performance plan cannot be completely agreed between all affected users due to their different wishes, the transmission system operator shall alone set the date.

(7) The notice about works shall specify:

- The part of the transmission system under work,
- The beginning and the planned completion of works,
- A plan of limitations or interruptions of the gas transmission,
- A list of the delivery places which will be affected.

(8) If a user wants to reschedule the performance of works during the year for various reasons, it can be done after it is agreed with the transmission system operator, whereby the works cannot be rescheduled by more than 15 days from the previously agreed date. The user who has requested the rescheduling shall cover the costs resulting from the rescheduling of works. In no case shall the works in the transmission system be carried out during the period when, due to the season or low outdoor temperatures, a higher use of gas is expected.

(9) If the transmission system operator identifies the need for the performance of works in the transmission system during the year and such works are not considered as extraordinary, it shall immediately inform the affected system users of this and propose the most convenient date for the performance of works. The users can coordinate the exact date of the implementation of works with the transmission system operator, whereby the performance cannot be realised later than two months after the date determined by the transmission system operator in the written notice.

(10) If the work performance date cannot be agreed with the affected users in accordance with the previous paragraph and the nature of the necessary work becomes extraordinary during this time, the transmission system operator shall carry out such work in the shortest time possible.

Article 59

(Disconnection Following Prior Notice)

(1) The transmission system operator can only disconnect a system user for reasons referred to in Article 96 of the Gas Supply Act if the system user fails to fulfil its obligation to eliminate the cause or causes of disconnection in the deadline determined in the notice. The deadline for the fulfilment of obligations, which is determined by the transmission system operator in the prior notice, shall be at least eight days starting from the notice receipt date.

(2) The notice provided by the transmission system operator shall be produced in writing and it shall specify the reasons that can lead to the disconnection and the deadline for their elimination.

(3) After the end of the deadline determined in the notice, the transmission system operator shall, if the system user fails to eliminate the cause, disconnect the system user by disabling any further withdrawal or delivery of gas at the relevant connection, and immediately inform the system user thereof. In the notice, the transmission system operator shall also inform the system user of the legal consequences referred to in Article 62 herein should the system user fail to eliminate the cause or causes of temporary disconnection within the deadline referred to in the same Article.

(4) If the disconnection referred to in the previous paragraph prevents the supply of gas to other system users who withdraw gas at the same connection place, the disconnection shall, if this is not appropriate under the circumstances, not be implemented, and the transmission system operator shall urge the system user who should be disconnected in the notice referred to in the first paragraph of this Article, to stop withdrawing gas after the end of the deadline referred to in the notice. After the end of the deadline specified in the notice, the system user shall be deemed disconnected, and any withdrawal of gas after the disconnection shall be considered as unjustified withdrawal.

(5) The supplier who has rescinded the supply contract or the supplier who has received a notice by a final customer about rescinding the contract shall inform the transmission system operator about the rescission no later than within 15 days before the end of the notice period or, if the notice period is shorter, immediately after the withdrawal from the contract. In this case, the transmission system operator shall disconnect the system user if it fails, within the deadline determined in the previous notice about disconnection, to change the supplier or conclude a new contract of supply with the existing supplier.

(6) If in the case referred to in the previous paragraph, the customer has several contracts of supply concluded at the relevant offtake point, it shall be obliged to provide to the transmission system operator the changed proportion between balancing groups at the offtake point within 24 hours after the receipt of the previous notice about disconnection. Should the customer fail to do so, the most recent communicated proportion without the contract or contracts that have terminated shall be proportionately applied for the remaining valid contracts. If such proportion was not communicated the first time, the withdrawal/offtake shall be considered as unjustified and disruptive for the supply of gas to other customers. The transmission system operator shall provide the information on the changed proportion between the balancing groups to the holders of such balancing groups.

(7) The system user to whom the connection was disconnected on prior notice shall cover the costs of such disconnection and of new connection determined in the price list of additional services of the transmission system operator.

(8) If the system user wishes to be reconnected to the transmission system in the period that is less than one year, it must also pay, upon the connection, fixed costs of network charge for the time of disconnection in the amount of minimum gas flow under the connection contract. If the transmission system operator exercised the substitute fulfilment for the respective period in accordance with the first paragraph of Article 50 herein, the payment of the substitute fulfilment in the amount of network charge calculated in line with this Article shall be deemed the fulfilment of the request referred to in this Article.

Article 60

(Disconnection Without Prior Notice)

(1) The transmission system operator shall disconnect the system user without prior notice for reasons referred to in Article 97 of the Gas Supply Act by disabling further withdrawal or delivery of gas at the relevant connection.

(2) The transmission system operator shall immediately inform the system user thereof. In the notice, the transmission system operator shall also inform the system user of the legal consequences referred to in Article 62 herein, if the system user does not eliminate the cause or causes of disconnection within the deadline specified in the respective Article.

(3) The system user who was disconnected shall cover the costs of disconnection and the costs of new connection determined in the price list of additional services of the transmission system operator.

(4) If the system user wishes to be reconnected to the transmission system in the period that is less than one year, it must also pay, upon the connection, fixed costs of network charge for the time of disconnection in the amount of minimum gas flow under the connection contract. If the transmission system operator exercised the substitute fulfilment for the respective period in accordance with the first paragraph of Article 50 herein, the payment of the substitute fulfilment in the amount of network charge calculated in line with this Article shall be deemed the fulfilment of the request referred to in this Article.

Article 61

(Disconnection at the Request of System User)

(1) The system user who wants to temporarily or permanently stop withdrawing or delivering gas can request the transmission system operator to carry out the disconnection. The transmission system operator and the system user shall agree on the date when the gas withdrawal or delivery at the connection shall stop and the disconnection shall be executed.

(2) The system user’s right regarding disconnection under this Article shall not affect:

- The obligations of the system user arising from valid transmission contracts, which were concluded for this withdrawal or delivery place, and which refer to the payment of the booked transmission capacities until the end of such contracts, and

- The obligations of the system user arising from the connection contract, which refer to the obligation to use the connection until the end of the reference economic period of the connection.

(3) If the system user requests to be disconnected, the connection contract or the transmission contract shall not terminate, except if the contracting parties agree on its termination. During disconnection, the contractual rights and obligations of the parties from the connection contract or the transmission contract, except the system user's obligations referred to in the previous paragraph, shall be suspended.

(4) If the disconnection lasted more than three years, the system user shall obtain a new consent for the connection and conclude a new connection contract to be connected. The conclusion of a new connection contract shall annul the previous connection contract, if it has not been cancelled already based on the agreement between the parties.

(5) The transmission system operator can reject the user the re-connection or the issuuance of connection consent at this connection until this system user has settled all obligations arising from the transmission contract and the connection contract that arise from the period before the disconnection and reimburses the total damage resulting from the violation of such obligations.

(6) If the system user wishes to be reconnected to the transmission system in the period that is less than one year, it must also pay, upon the connection, fixed costs of network charge for the time of disconnection in the amount of minimum gas flow under the connection contract. If the transmission system operator exercised the substitute fulfilment for the respective period in accordance with the first paragraph of Article 50 herein, the payment of the substitute fulfilment in the amount of network charge calculated in line with this Article shall be deemed the fulfilment of the request referred to in this Article.

(7) The system user who has requested the disconnection shall cover the costs of disconnection and re-connection such as determined in the price list of other services of the transmission system operator.

Article 62

(Permanent Disconnection)

(1) If in the case of disconnection referred to in Articles 59 and 60 herein the system user fails to eliminate the cause or causes for disconnection within three years from the receipt of the notice on disconnection, the transmission system operator can permanently disconnect the connection.

(2) Each connection to a permanently disconnected connection shall be new connection within the meaning of this Act.

6. CONNECTION OF STORAGE FACILITIES, UPSTREAM NETWORKS AND LIQUEFIED NATURAL GAS PLANTS

Article 63

(Connection of Gas Storage Facilities and Liquefied Natural Gas Plants)

To connect to the system of gas storage facilities and liquefied natural gas plants, the provisions of this Act that govern the connection of system users shall apply mutatis mutandis.

Article 64

(Connection of Upstream Pipeline Network)

To connect the upstream pipeline network used by a producer to the transmission system, the provisions of this Act that govern the connection of system users shall apply mutatis mutandis.

Article 65

(Implementation of Connection and Gasification of the New Part of the Transmission System)

The provisions from Articles 54 and 55 herein shall apply mutatis mutandis for the implementation of connection and gasification of the new part of the transmission system or interconnection line.

V. TECHNICAL CONDITIONS FOR BUNDLING AND OPERATION OF SYSTEMS OF VARIOUS SYSTEM OPERATORS

Article 66

(Connection with Another Transmission System)

(1) No later than before adopting the decision to make an investment in the interconnection pipeline with another system operator's transmission system and after submitting a notice to the agency, the transmission system operator shall conclude an agreement with such operator on the bundling of both transmission systems, which among others includes at least the following components:

- The conclusion that both system operators meet the conditions necessary for the planning and construction of the interconnection line (any consents from a competent state institution – the government, ministry, energy regulator, etc.);

- The provisions ensuring the coordination of the spatial placement, the audit of environmental impacts and compliance of technical elements and rules;
- The provisions on the implementation of the procedure to establish the interest of system users;
- The provisions on the method of sharing the costs of planning, construction and operation of the interconnection pipeline;
- The schedule of planning, construction and obtaining of the operating permit;
- The provisions on the method of fulfilling the liabilities to enable two-way capacity of the interconnection pipeline pursuant to Regulation 2017/1938/EU.

(2) The interoperability of both transmission systems must be ensured in the engineering, construction and operation of the interconnection line.

VI. METHOD OF ENABLING ACCESS TO THE TRANSMISISON SYSTEM

1. GENERAL PROVISIONS ON THE CONDITIONS OF ACCESS TO THE TRANSMISSION SYSTEM

Article 67

(Application of General Acts by the Transmission System Operator)

(1) The access to the interconnection points of the transmission system is implemented in accordance with the Rules on terms and conditions for capacity allocation mechanisms at interconnection points of the transmission system through auction.

(2) The access to the entry and the exit points in the Republic of Slovenia is implemented in accordance with 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.

(3) The congestion management procedure and capacity trading on the secondary market is implemented in accordance with the Rules on the congestion management procedure and capacity trading on the secondary market.

Article 68

(Bundled Capacities)

(1) In accordance with Regulation 2017/459/EU, system access services at interconnection points are offered in the form of a bundled capacity, if the available capacity is at disposal at both sides of the interconnection point and if the transmission system operators agree thereof on both sides of the interconnection point.

(2) The bundled capacity is offered to system users as the firm and interruptible access service. The bundled capacities are offered at auctions for each interconnection point in accordance with the rules which govern capacity allocation at auctions.

(3) If there is less available firm capacity on one side of an interconnection point than on the side of the transmission system in the Republic of Slovenia for any period considered, the transmission system operator may offer the extra capacity on its side of the interconnection point as unbundled capacity for a maximum period until the end of the transmission contract for the capacity on the other side of the interconnection point.

(4) The transmission system operator shall co-operate with transmission system operators on the other side of the interconnection point in order to coordinate the offer of standard bundled products. The objective of co-operation is also the formation of common bundled capacity allocation mechanisms and nomination procedures for the execution of transmission contracts for bundled capacities.

(5) At system users' request, the capacities allocated to them on both sides of the interconnection point as unbundled capacities shall be transformed into bundled capacities, if the system users have reached an agreement thereof and if the transmission system operator on the other side of the interconnection point approves such bundling. In such case, the transmission contract for the bundled capacity shall be concluded taking account of the valid conditions from the existing transmission contracts, but the contract shall in no case exceed the period of duration of the shortest among the original transport contracts at the relevant interconnection point.

Article 69

(Determination of the available Capacity at Interconnection Points)

(1) In co-operation with adjacent transmission system operators on the other side of the interconnection point, the transmission system operator shall ensure that by observing the integrity, safety and effective operation of the system, system users have the maximum possible capacity available at all interconnection points of the transmission system.

(2) The transmission system operator shall coordinate with adjacent transmission system operators the criteria on the determination of the common methodology for the calculation of the maximum possible capacity of interconnection points in accordance with the requirements referred to in Article 6 of Regulation 2017/459/EU.

(3) In accordance with the sixth paragraph of Article 8 of Regulation 2017/459/EU and in agreement with the agency, the transmission system operator shall determine the share of technical capacity for each interconnection point, which is kept and offered as short-term firm capacity. Prior to determining the share, consultation with the interested system users and transmission system users on the other side of the interconnection point shall be carried out.

(4) The transmission system operator shall regularly calculate and publish the technical capacities of individual entry and exit points and their limitations at its website.

Article 70

(Investments in New Capacity at Interconnection Points)

(1) The transmission system operator shall offer the access to new capacity in the form of standard capacity products at interconnection points. In the case of competing investment on both sides of the interconnection point or if there is an available capacity on the other side of the interconnection point and if this is enabled by the transmission system operator on the other side of the interconnection point, the access to the new technical capacity shall be offered as bundled capacity referred to in Article 68 herein.

(2) The provisions from Articles 8(1) to (7), Articles 11 to 18, Article 19(2) and Articles 32 to 37 of the Regulation 2017/459/EU shall not apply for the first allocation of new technical capacity on the primary market, apart for the capacity which remains unsold after it has been offered in another market-based procedure.

(3) In the case referred to in the previous paragraph, the transmission system operator shall use other transparent and non-discriminatory procedures compatible with market mechanisms for the allocation of new capacities, such as the open allocation procedure, based on which the transmission system operator collects binding bids from the interested system users for the conclusion of transmission contracts for new capacities.

(4) Based on these procedures, new technical capacity can be allocated to the interested system users even before the start of investment. In such case, the transmission system operator can request the bidders to fulfil the minimum conditions concerning the financial fitness and, when appropriate, to submit suitable guarantees for the event if they later on do not conclude transmission contracts or if they breach the contract.

(5) In the case of competing investment on both sides of the interconnection point or in the case of capacity bundling on both sides of the interconnection point, the allocation procedure for new bundled capacities can be carried out in co-operation with the adjacent transmission system operator.

(6) As part of drawing up the text of the 10-year development plan, one of the subjects of consultation with the interested parties in the planning of the investment in new technical capacity for interconnection points is the share of new capacity held and offered as a short-term capacity, which cannot be lower than 10% of new technical capacity.

2. VIRTUAL POINT OF THE TRANSMISSION SYSTEM

Article 71

(Virtual Point Services)

(1) In accordance with this Act, the transmission system operator shall offer the following virtual point services:

- Enabling the execution of gas transactions;
- Bulletin board services.

(2) Virtual point services can only be used by virtual point members.

Article 72

(Gas Transactions in the Transmission System)

(1) Gas companies and final customers (hereinafter: gas market operators) execute all transactions in amounts of gas in the transmission system at a virtual point.

(2) Transaction is any legal transaction concluded by a gas market operator based on which the right to disposal of a certain quantity of gas in the transmission system changes in one or more charging intervals, including all legal transactions that may lead to such change, even if the entire sequence of such legal transactions from the delivery to the withdrawal of gas has not resulted in a change of the final customer.

(3) It shall be considered that all transactions in gas quantities in the transmission system are executed between individual transaction participants at the virtual point and at the level of the accounting interval, regardless of the entry or exit point of the transmission system and regardless of the provisions of individual contracts of delivery.

(4) As part of the transactions in quantities of gas at the virtual point, a permitted transaction is also the transaction in gas quantities if a transaction participant did not conclude a contract of gas transmission, but a suitable contract of the transmission at the entry point and a suitable transport contract at the exit point must be concluded for the quantities, which are the subject of transaction, for the charging period or periods for which the transaction refers.

Article 73

(Bulletin Board Services)

(1) The bulletin board is a service that is carried out directly via a web application protected with a suitable protection of the transmission system operator, which enables transparent information about the offer and demand for gas quantities published for virtual point members.

(2) The transmission system operator shall not be held responsible for the authenticity of the published data.

(3) The website of the transmission system operator shall only present the aggregate data from the bulletin board (type of publication, quantities of gas and the period).

Article 74

(Registration of Virtual Point Membership)

(1) A gas market participant shall register to a virtual point by concluding a membership contract with the transmission system operator. The transmission system operator shall publish a contract membership sample at its website.

(2) A gas market participant who becomes a member of the virtual point can start using the virtual point services for which it has concluded a membership contract no sooner than on the fifth day from the date when the transmission system operator has received a returned signed membership contract and if the membership fee for the virtual point has been settled. The membership contract is concluded for an indefinite period of time.

(3) The person who is a member of the virtual point can cancel the virtual point membership at any time based on a written statement. The virtual point membership shall terminate on the day determined by the virtual point member, which cannot be shorter than five working days from the date when the transmission system operator has received the membership termination statement.

(4) The transmission system operator can cancel the virtual point membership if a member:

- Has failed to duly settle their outstanding liabilities to the transmission system operator for the performed virtual point services,
- Has not fulfilled the requirement despite the call by the operator to submit a suitable guarantee for liabilities in accordance with the third paragraph of Article 78 herein.

Article 75

(Notification of Transactions at the Virtual Point)

(1) Virtual point members can execute transactions in gas quantities at a virtual point if they notify such transactions to the transmission system operator. Members of balancing groups shall be obliged to notify all gas transactions to the transmission system operator. For individual withdrawal or delivery places, which are included in one or more balancing groups, virtual point members can authorise the balancing group leader to notify gas transactions in the transmission system at the virtual point on their behalf.

(2) Notifications of transactions are provided to the transmission system operator through the web application referred to in Article 73 herein, specifying the following data:

- Contact data of notification sender;
- Quantity of gas in transaction;
- Date of gas day which the notification refers to;
- Members involved in the respective transaction;
- Type of notification (sale or purchase).

(3) The transaction participants shall notify the transaction that refers to the day-ahead supply on the previous gas day of delivery “D-1” within the deadlines that apply for the submission of daily nomination, i.e. by 2.00 pm or 7.00 pm at the latest.

(4) The transaction participants shall notify the transaction that refers to the delivery during a gas day “D” between 9.00 am and 7.00 pm with the effect at least two hours from the first

full hour following the notification of the transaction. The transmission system operator shall verify the compliance of transactions with each full hour within the window to notify transactions for delivery during a gas day.

(5) The transaction participants are eligible to notify the transaction relating to the weekly delivery applicable from Monday from 6.00 am to the next Monday by 6.00 am (seven days) no later than on the previous gas day of weekly delivery, i.e. “Sunday” by 2.00 pm.

(6) The transaction participants are eligible to notify the transaction relating to the monthly delivery applicable from the first day in a month from 6.00 am to the first day of the following calendar month by 6.00 am on the last gas day in the previous calendar month by 2.00 pm.

(7) Each of the participants in an individual transaction shall provide their notification for each legal transaction in the transaction.

(8) Any notification that is not submitted in the above-determined way shall be considered as non-existent.

Article 76

(Rejection of Notification)

(1) The transmission system operator can reject the notification if:

- An individual transaction or a chain of transactions is not in accordance with the concluded transmission contract at the entry point and the concluded transmission contract at the exit point, or
- An individual transaction or a chain of transactions has not been completed, or
- The compliance of quantities of each individual notification in the chain of transactions and the compliance of quantities of the entire chain of transactions have not been provided.

(2) In the case referred to in the previous paragraph, such transaction shall be entirely rejected. The execution of contracts of supply under transactions reported in such way is not possible.

(3) The transmission system operator shall provide to each virtual point member who has submitted the notification of transaction, and their authorised person, if any, the information about the approved quantities no later than:

- For a transaction referring to day-ahead delivery, within 30 min after the end of the deadline for the notification of transaction;
- For a transaction during a gas day “D”, within 30 min after the end of the deadline for the notification of transaction;
- For a transaction relating to the weekly delivery applicable from Monday from 6.00 am to the next Monday by 6.00 am (seven days), within 30 minutes after the end of the deadline for the notification;

- For a transaction relating to the monthly delivery applicable from the first day of a month at 6:00 am to the first day of the next month by 6.00 am: within 30 minutes after the end of the deadline for the notification.

Article 77

(Quantity Allocation)

(1) The allocation of quantities at the virtual point is implemented following the principle where the allocated quantity equals the approved quantity.

(2) The transmission system operator shall prepare a monthly report of the allocated quantities of gas within five working days of the current calendar month for the previous month.

(3) The monthly report shall include an overview of the executed transactions by individual days and it shall be attached to the invoice for the amount of the executed transactions issued by the transmission system operator to transaction participants.

Article 78

(Price of Virtual Point Services)

(1) Virtual point members shall pay to the transmission system operator the costs of registration and the price for each executed transaction at the virtual point.

(2) The transmission system operator shall determine the cost of registration and the cost of individual transaction on prior consent by the agency and issue and publish the price list at its website.

(3) Should a virtual point member fail to settle its liabilities in time, the transmission system operator shall have the right to demand immediately a suitable payment guarantee from it.

VII. BALANCING THE TRANSMISSION SYSTEM

1. APPLICATION OF THE ACT

Article 79

(Subsidiarity)

(1) The provisions of the Act in this Chapter shall define the rules for the implementation of the Regulation 312/2014/EU.

(2) The provisions of this Chapter shall apply with regard to the issues of balancing the deviations in the transmission system, which are not governed by the Regulation referred to above.

(3) The provisions of this Chapter shall not apply in emergency situations, during the period when a gas supply emergency level is declared, when the transmission system operator carries out specific measures, defined in the Gas Supply Act or the Regulation on the emergency plan for gas supply (Official Gazette of RS, No 109/23), this Act, or on the basis of the Regulation 2017/1938/EU, insofar as the application of the rules hereunder would be incompatible with the measures adopted during the period when a gas supply emergency level is declared.

2. ORGANISATION OF THE GAS BALANCING SYSTEM

Article 80

(Balancing Zone)

(1) For a safe and reliable operation of the transmission system it is important that for every accounting interval the quantity of the gas, which system users deliver to the system at entry points of the transmission system, is equal to the quantity of gas, which system users accept at exit points of the transmission system.

(2) The balancing zone pursuant to this Act includes all entry and exit points of the transmission system and the virtual point.

Article 81

(Primary Responsibility of System Users for Balancing in the Balancing Zone)

(1) System users hold the primary responsibility for balancing quantity deviations between intake and offtake of gas from the transmission system by concluding a balancing contract, and to make sure there is the least required for the transmission system operator to perform balancing measures referred to in Article 93 hereunder.

(2) In accordance with this Act, system users shall be encouraged to make use, within the balancing zone, of the possibilities for trading with gas for balancing at the virtual point.

(3) If a system user fails to ensure that the sum of accepted quantities of gas at entry points of the transmission system for every accounting interval is equal to the sum of delivered quantities of gas at exit points from the transmission system, which are included in its balancing group, the operator of the transmission system shall charge it with the costs of balancing daily deviations in accordance with the provisions hereunder.

(4) Based on point (i) of under (b) of the second paragraph of Article 21 of the Regulation 312/2014/EU, the calculation of the daily quantity deviation shall be adjusted properly for the quantities of gas for system differences resulting from measuring uncertainties.

Article 82

(Role of the Transmission System Operator)

(1) In accordance with the provisions set forth in this chapter, the transmission system operator shall perform the following tasks in the gas balancing system:

- Organises balance scheme for the balancing zone set forth in Article 84 hereunder;
- Performs active balancing measures set forth in Article 93 hereunder;
- Performs tasks of a trading platform operator set forth in Article 94 hereunder;
- Adopts and confirms nominated intake and offtake of gas;
- Conducts accounting of costs for balancing of daily deviations and balancing differences.

(2) For the purposes of quantity deviations balancing, the transmission system operator, in accordance with the provisions of Articles 94 through 97 hereunder, at the virtual point of the transmission system, ensures conditions for trading the quantities of gas, which are required for balancing deviations during an accounting day and a day ahead.

(3) In accordance with the rules set forth in Article 5 of the Regulation 312/2014/EU, the transmission system operator shall perform transfer of gas between balancing groups as delivery from the balancing group, which notified the transaction for delivery in accordance with Article 75 of this Act, and assigns it as an intake to the balancing group, which notified the respective transaction.

(4) The transmission system operator shall attempt, within technical and economically efficient possibilities, to ensure the highest volume of demand for deviations balancing possible by trading with short-term standardised products in the balancing market. The remainder of deviations that cannot be balanced in the market or this would be economically inefficient, shall be balanced by the transmission system operator to the extent needed and enabled by the availability of transmission capacities, with the use of the balancing system service.

Article 83

(Principle of Cost Neutrality)

(1) The transmission system operator shall make sure that, in relation to the execution of deviation balancing tasks in accordance with this Act and the Regulation 312/2014/EU, it shall not hold any benefit or suffer any loss. All net benefits or costs, which originate from the execution of these tasks, shall be transferred by the transmission system operator to system users, whereby it shall pay the users the surplus of receipts over costs or shall charge them with the deficit in accordance with the provisions of this Act.

(2) The transmission system operator ensures transparency of data on total costs and revenue arising from the execution of balancing tasks, and posts them on its website monthly within fifteen working days for the previous month.

3. INTEGRATION OF SYSTEM USERS INTO BALANCING GROUPS

Article 84

(Integration of System Users into Balancing Groups)

(1) In relation to the balancing zone set forth in Article 80 hereunder, the transmission system operator, by concluding balancing contracts with systems users, organises a hierarchically structured balance scheme for the purposes of the integration of system users into balancing groups.

(2) Before using transmission capacities at entry and exit points, system users must be included in the balance scheme in the balancing zone.

(3) A system user is included in a balancing scheme by concluding a balancing contract, on the basis of which it forms its own balancing group (hereinafter also: balancing group leader), or by concluding a contract set forth in Article 91 hereunder with another system user, who is a leader of a balancing group or a balancing sub-group (hereinafter also: balancing group members).

(4) Quantity daily deviations of gas intake and offtake are determined by the transmission system operator for every balancing group separately. For the purpose of accounting quantity deviations of gas intake and offtake, a balancing group is considered as a single transmission system user.

Article 85

(Establishment of Balancing Group)

(1) The transmission system operator concludes a balancing contract with a system user, if the user meets the conditions set forth in Article 90 hereunder, regardless of whether the balancing group leader has concluded a transmission agreement.

(2) The gas supplier, from which the transmission system operator accepts gas at the entry point of the transmission system, shall conclude a balancing contract with the transmission system operator in order to establish a balancing group, which shall include consumption points of system users, who are intended for the gas supply at exit points from the transmission system.

(3) The balancing group leader must conclude a balancing contract with the transmission system operator within ten working days before the start of the operation of the balancing group at the latest.

(4) A balancing contract between the transmission system operator and a balancing group leader shall contain at least:

- Name and address of contracting parties;
- Description of the method of data capture and communication;
- Obligation of contracting parties to use the data obtained indirectly and directly during the calculation of deviations only for the purposes related to the calculation of deviations, and shall not disclose them to third persons, other than for fulfilling obligations defined by the law or a statutory instrument;
- Rights and obligations of contracting parties upon withdrawal from the contract;

- Method of dispute resolution;
- Method of insurance for the event of non-payment of contractual obligations;
- Provisions on the duration of contract validity and reasons for its termination;
- Appendix in which the parties name balancing sub-groups leaders, complete with their titles and addresses, entry and exit points, which are included in the balancing group. If the data in the appendix change, the parties shall substitute the appendix with a new one, which contains updated information.

Article 86

(Balancing Sub-Group)

(1) A balancing group member can establish a balancing sub-group and thus become a balancing sub-group leader.

(2) A balancing sub-group is established so that a balancing group leader or a leader of a superior balancing sub-group concludes a balancing contract with a leader of a hierarchically lower balancing sub-group.

(3) The leader of a superior balancing sub-group shall inform the leader of a balancing group, in which the balancing sub-group is included, about each change of membership in the respective sub-group, and which balancing sub-groups and which exit points to final customers or entry points of producers are included in its sub-group.

(4) A balancing group leader shall inform the transmission system operator of the establishment of a balancing sub-group.

Article 87

(Inclusion of Entry and Exit Points in the Balancing Group)

(1) For each entry and exit point in the balancing zone a system user must define to which balancing group or groups it belongs.

(2) If the transmission contract refers to the booking of joint capacity at the interconnection point, before the enforcement of the balancing contract the system user must ensure appropriate organisation of the implementation of the balancing contract on both sides of the interconnection point.

(3) Booked capacities on entry and exit points, other than exit points to a final customer, the distribution system or entry points of producers, can also be included by the system user in several balancing groups. In this case the system user must inform the transmission system operator of the ratio between capacities, which are included in an individual balancing group on this entry and exit point.

(4) An exit point to the final customer or entry points of producers can be included only in one balancing group or sub-group, with the leader of which the final customer concludes an open supply contract regarding the balancing of deviations at this entry or exit point.

(5) Irrespective of the previous paragraph, under the condition referred to in the fifth paragraph of Article 80, of the Gas Supply Act, the exit point to the final customer or entry point of producer can also be included in more balancing groups, with the leaders of which the user has concluded an open supply contract. In this case, the user shall, for every accounting interval, inform the transmission system operator of the quantitative relation between individual balancing groups to which the entry or exit point belongs, otherwise the transmission system operator shall observe the final communicated relation.

(6) If the user, to which the entry or exit point belongs, does not get included into any balancing group, the final customer shall ensure balancing of deviations by concluding a balancing contract, whereby all provisions of this Act and the Regulation 312/2014/EU, which apply to balancing group leaders, shall apply to that final customer mutatis mutandis.

Article 88

(Tasks of Balancing Groups)

(1) A balancing groups leader is responsible to the transmission system operator for completing the following tasks of the balancing group:

- To give forecasts of gas intake and offtake quantities at all entry and exit points of its balancing group, which are subject to the submission of forecast in accordance with this Act;
- To balance volume deviations of gas intake and offtake in the balancing group by applying appropriate measures;
- To actively participate in the balancing market of short-term standardised products;
- To notify the transmission system operator of all information, which might affect its ability regarding deviation balancing;
- To notify the transmission system operator about supply contracts concluded with users at the transmission system;
- To keep a record of withdrawal or delivery points and timely communication of data on the changes of balancing group members to the transmission system operator;
- To pay the costs of daily deviations.

(2) Upon the conclusion of the contract or no later than two working days prior to the change of membership in their balancing groups, balancing group leaders shall inform the transmission system operator in writing or via e-mail which system user and its transmission capacities within the booked transmission capacities at individual entry and exit points belong to the respective balancing group.

Article 89

(Responsibility of the Balancing Group Leader for Gas Deviation Balancing)

(1) By applying appropriate measures, a balancing group leader shall ensure balancing of volume deviations of its balancing group, in order to minimise the need for the transmission system operator to perform measures for gas deviation balancing in the transmission system.

(2) If a balancing group leader does not supply gas to its balancing group members on its own, or does not supply gas in full, it shall ensure with a contract that appropriate quantities of gas for every accounting interval are delivered to the transmission system by other suppliers. The data on these contracts shall be sent by the balancing group leader to the transmission system operator at least two working days prior to the start of an individual accounting interval.

(3) If daily deviations between intakes and offtakes occur in a balancing group due to short-term oscillations in the supply and demand of gas, the balancing group leader must attempt to balance deviations with appropriate measures, which include, in particular, conclusion of gas supply contracts for balancing purposes with other system users or the transmission system operator in the balancing market of short-term standardised products.

(4) If a balancing group leader fails to ensure balancing of deviations referred to in the previous paragraph and the transmission system operator is unable to balance them, the transmission system operator shall invite the balancing group leader to perform appropriate balancing measures. If the balancing group leader also fails to ensure balancing of deviations when asked to do so, the transmission system operator can limit its consumption or limit the delivery of gas.

Article 90

(Conditions the Balancing Contract Leader Must Meet)

(1) The system user, who wishes to become a balancing group leader, shall meet the following conditions:

- that it is not subject to any compulsory settlement or bankruptcy proceedings or that no proposal for compulsory settlement or bankruptcy proceedings was initiated against it;
- that it provides a 24/7 contact point;
- to submit a financial guarantee in the form of a bank guarantee or funds on a special account of the transmission system operator as an insurance for meeting the liabilities set forth in the concluded balancing contract.

(2) The amount of financial guarantee set forth in indent 3 of the previous paragraph:

1. for balancing groups, which include the exit points in the Republic of Slovenia, shall be calculated as follows:

$ZJ=10.000+3.2/100*Q_{p,m}*c_{gas}*2$

Where:

- ZJ (EUR) is the amount of financial guarantee, which must be submitted

- $Q_{p,m}$ (kWh) is the average monthly quantity of gas, which was transferred to the respective system user within the last consecutive 12 months prior to the submission of the application for the balancing group leader. In case the proposer was using the transmission system prior to the submission of the application less than 12 months or didn't use it, the average monthly quantity, which will presumably be transferred to the applicant by its estimate for the following 12 months, shall apply.

- c_{plina} (EUR/kWh) is the price of gas, calculated on the day of the submission of the application, in accordance with Point (b) of the second paragraph of Article 111 hereof.

2. for balancing groups, which do not include the exit points in the Republic of Slovenia, the amount is as follows:

- ZJ = 30,000

- ZJ (EUR) is the amount of financial guarantee, which must be submitted.

(3) The amount of financial guarantee set forth in the first point of the previous paragraph is checked at the end of every calendar month, according to the performed calculation of gas consumption and delivery deviations. To calculate the required amount of financial guarantee, the average monthly price of gas determined in accordance with Point (b) of the second paragraph of Article 111 hereof for the last available calendar month shall be used instead of c_{gas}.

(4) If the verification procedure reveals that the amount of monthly deviations exceeds the currently submitted financial guarantee, the balancing group leader is obliged to appropriately increase the financial guarantee within 30 days after the system operator sends it a written request to do so, otherwise the transmission system operator may withdraw from the balancing contract. In case the verification of monthly deviations reveals that they are lower than the currently submitted financial guarantee, the balancing group leader may reduce his financial guarantee. The amount of financial guarantee shall in no case be lower than the amount of the financial guarantee calculated or determined on the basis of the second paragraph of this Article.

(5) The bank guarantee shall be issued by the bank acceptable to the transmission system operator in the form of unconditional, irrevocable guarantee payable upon the first application in writing and with a period of validity of at least one year. The balancing group leader shall renew the validity of the bank guarantee within 30 days before the expiry of the valid bank guarantee, otherwise the transmission system operator may withdraw from the balancing contract.

Article 91

(Balancing Group Members)

(1) Every system user must be included in a balancing group or must conclude a balancing contract on its own. The system user is included in the balancing group by concluding a balancing contract or an open supply contract, which it concludes with a balancing group leader or a balancing sub-group leader.

(2) Through mutual agreements referred to in the previous paragraph, balancing group members internally organise the distribution of burdens and responsibilities for managing and controlling risks regarding volume imbalances of a balancing group.

(3) System user shall ensure the balancing of deviations at the entry or exit point in the Republic of Slovenia by concluding an open supply contract, which sets forth balancing affiliation of entry of exit point in accordance with the fourth and fifth paragraph of Article 86.

Article 92

(Records of Balancing Group and Sub-Group Leaders)

(1) The transmission system operator keeps the records of balancing group leaders and their sub-groups. The records also comprise the collection of concluded balancing contracts and amendments to these contracts.

(2) The data on the identity of balancing group and sub-group leaders is public and the transmission system operator shall publish the respective data on its website.

4. SYSTEM BALANCING ACTIONS OF THE TRANSMISSION SYSTEM OPERATOR

Article 93

(Balancing Actions)

(1) To achieve the objectives of the balanced transmission system referred to in the first paragraph of Article 6 of the Regulation 312/2014/EU, due to which the transmission system operator must achieve the changes of gas flow in or from the transmission system, the transmission system operator may perform one or more balancing actions, whereby it:

- Buys or sells short-term standardised products in the balancing market; and/or
- Uses a balancing system service for transmission system balancing set forth in Article 98 hereunder.

(2) When the transmission system operator implements the balancing measures referred to in the previous paragraph, to the extent appropriate to achieve the objectives referred to in the first paragraph of Article 6 of Regulation 312/2014/EU, the transmission system operator as a rule gives priority to the use of short-term standardised products prior to the use of system balancing services.

(3) If a balancing service is more cost efficient than short-term standardised products, the transmission system operator as a priority uses the balancing service, whereby it observes the criteria set forth in the second paragraph of Article 8 of the Regulation 312/2014/EU.

Article 94

(Trading Platform)

(1) At the virtual point of the transmission system the transmission system operator establishes an electronic trading platform as a virtual point service, which, for the purposes of deviations balancing, enables the transmission system operator and a balancing group leader (trading participants) to carry out transactions with quantities of gas for the supply within a day or a day ahead. The transmission system operator performs the tasks of a trading platform operator, which are defined by the Regulation 312/2014/EU in relation to the platform.

(2) The transmission system operator trades on the trading platform under the same conditions as apply to other system users, which are trading participants on the trading platform. Trading products are used with the purpose of encouraging system users to the highest possible balancing of deviations in the market, in order to minimise the need for the use of balancing service for transmission system balancing.

(3) Trading platform services, which enable conclusion of transactions with short-term standardised products, can also be used by system users, who become members of the virtual point, in accordance with Article 74 hereof, and conclude a contract on membership for these services with the transmission system operator.

Article 95

(Rules of Trading on the Trading Platform)

(1) Gas transactions on the trading platform are concluded via trading electronic application, which enables trading participants an anonymous input of offer for sale or a purchase of short-term standardised products continuously throughout the gas day, seven days a week. The input of offer for sale or a purchase of a specific short-term standardised product delivers a binding offer for the trading participant, who entered the offer, and its adoption concludes the transaction on the sale or purchase of this product. The transmission system operator posts the instructions for the use of the trading electronic application on its website.

(2) In trade on the trading platform, the trading participants shall act as good experts and shall not limit competition in conflict with the regulations of the competition law or in conflict with the rules on the prohibition of energy market manipulation referred to in the Regulation (EU) No 1227/2011 of the European Parliament and the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L No 326 of 8 December 2011, p. 1). Actions of a market participant, which are in conflict with the actions in the market, give reason to the transmission system operator to cancel membership of the market participant in the virtual point.

Article 96

(Short-term Standardised Products)

(1) Types of short-term gas products for trade on the trading platform are defined by the transmission system operator, taking into account particularly technical conditions for flawless operation and reliability of the transmission system operation. In establishing appropriate short-term standardised products, the transmission system operator also cooperates with the operators of adjacent transmission systems.

(2) In trade with short-term standardised products, the transmission system operator gives advantage, when and to the extent appropriate, to the use of products within a day as opposed to the products for the day ahead, and within this gives advantage to the use of title products within the meaning of the third paragraph of Article 7 of the Regulation 312/2014/EU as opposed to other available short-term standardised products.

Article 97

(Publication of Information about Trading on the Trading Platform)

Trading participants on the trading platform shall be provided the following information:

- The current buy and sell bidding prices and gas quantities;
- The price and quantity of gas for every concluded transaction, which is published within a reasonable time after the conclusion of transaction;
- The trend of marginal buy and sell prices of gas, which are published immediately after every performed transaction.

Article 98

(Purchase of Balancing System Services for Transmission System Balancing)

(1) When, in accordance with the first paragraph of Article 8 of the Regulation 312/2014/EU, the transmission system operator cannot fulfil its needs for transmission system balancing with the purchase or sale of short-term standardised products in the market, it shall obtain access to gas for system balancing by ordering a balancing system service, by concluding with the selected provider:

- Contract on the basis of which it is entitled to ask the bidder to re-purchase or sell (at the invitation) gas on the interconnection and/or virtual point; and/or
- Contract on the booking of storage capacity or capacity for LNG.

(2) Order for the purchase of a balancing system service shall be submitted by the transmission system operator on the basis of the implementation of a transparent and non-discriminatory tender, while taking into account technical and economic criteria.

(3) Duration of the contract on the provision of the balancing system service shall be no more than one year, unless the agency allows a longer period of duration at the proposal of the transmission system operator.

(4) For the purposes of performing balancing system services, the transmission system operator, to the extent referred to in the previous paragraph of this Article, reserves an appropriate share of technical capacity on interconnection points, which is directly kept for the purposes of performing balancing system services. The share of technical capacity kept this way is not included in the calculation of the volume of the highest possible capacity on these interconnection points, which is put up for auction, in accordance with Article 69 hereunder.

Article 99

(Own Use)

(1) Under competitive and impartial conditions, in respect of technical and economic criteria, the transmission system operator annually issues a call for tenders for the purchase of gas for own use. In the purchase of gas for the needs of the transmission system operator, attention is paid particularly to technical criteria, flawless operation of the transmission system, reliability of gas transmission performance and economic standards.

(2) The transmission system operator concludes a contract on the purchase of gas quantities for own use with the best bidder, selected in a transparent and impartial procedure.

(3) In respect of the criteria referred to in the first paragraph of this Article, the transmission system operator shall attempt, with due diligence, to conclude the contract referred to above under the best possible market conditions.

Article 100

(Reduction or Interruption of Transmission)

(1) If the transmission system operator establishes that for an individual balancing group consumption and delivery of gas deviate to the extent that such deviation cannot be balanced with balancing actions without jeopardising the balanced activity of the transmission system, it shall call the balancing group leader to fulfil the nominated withdrawal or delivery of gas quantities, in order to harmonise the delivery and consumption of gas, and define a deadline for the fulfilment.

(2) If the called balancing group leader fails to ensure deviation balancing, one or more members of its balancing group still withdraws or delivers gas into the transmission system, and a member or more members endanger the assets, life or health of people with the operation of their energy facilities and devices, the transmission system operator shall act in accordance with Article 60 hereunder.

Article 101

(Imposition of the Within Day Obligations relating to Deviation Balancing)

(1) With the purpose of ensuring system integrity of the transmission system and minimise the need for balancing actions, which must be carried out within an accounting day, the transmission system operator may, on the basis of Articles 24 through 27 of the Regulation 312/2014/EU, propose to the agency to allow the transmission system operator to introduce within day obligations, which would allow it to ask a balancing group leader to meet certain obligations with regard to the balancing of gas intake and offtake within a day for the gas day "D".

(2) For the event of deviation from within day obligations, the transmission system operator can predict the obligation to pay the amount for the within day obligations which reflects costs of balancing of deviations within a day and is high enough to encourage balancing group leaders to balance their positions within a day.

(3) With the introduction of within day obligations, the transmission system operator provides system users with the required information on measured quantities of gas and other information, which are important for meeting these obligations.

5. ACCOUNTING INTERVAL AND NOMINATIONS OF GAS CONSUMPTION AND DELIVERY

Article 102

(Accounting Interval)

(1) Accounting interval for balancing in the balancing zone is a standardised daily interval from 6.00 am on the current day by 6.00 am on the following day (hereinafter also accounting day or also gas day "D").

(2) Irrespective of the previous paragraph, the transmission system operator may, in accordance with the previous Article, as an exception, also define a shorter accounting interval for an individual category of system users.

(3) Quantitative deviation of a balancing group, which has accumulated during each accounting interval on the basis of the difference between accepted quantities at entry points and delivered quantities at exit points, which are included in an individual balancing group, shall be charged to balancing group leaders, in accordance with Article 113 hereunder.

(4) After the calculation for daily deviations it shall be deemed that for this accounting interval the balance of the balancing group is levelled and its position at the start of the following accounting interval equals zero.

Article 103

(Preliminary Nomination of the Use of Transmission Capacities)

(1) System users can execute the rights set out in transmission agreements provided that, prior to the start of performance of supplies within the deadlines defined hereunder, they submit to the transmission system operator the forecast of the use of allocated capacities at entry and exit points, which are subject to the obligation of forecast in accordance with this Act.

(2) The rights to transmission can be executed by system users on a specific gas delivery day in the range of quantities, which are confirmed by the transmission system operator in accordance with this Act.

Article 104

(Obligation of Nomination)

(1) For every accounting gas day, the balancing group leader shall inform the transmission system operator in advance about the quantities of gas intake and offtake for the balancing group.

(2) The nomination is mandatory for all entry points and all interconnection exit points included in the balance group, and for exit points in the Republic of Slovenia from the balance group, in the aggregated quantity of these points. For individual exit points in the Republic of Slovenia from the balance group, the nomination is only mandatory, if:

- there is more than one supply contract for an individual exit point, excluding exit points to the distribution system; or
- the contractual capacity for an individual exit point to the final customer is required for smooth operation of the transmission system.

(3) The transmission system operator shall notify the exit points referred to in the last indent of the previous paragraph to the leader of the balancing group, in which the exit point is included.

(4) In giving forecasts, the balancing group leaders must observe:

- That forecasts of intake and offtake quantities are within the booked contractual capacities at exit and entry points, which are subject to the obligation of forecast;
- Other technical limitations of booked entry and exit points, which originate from the transmission agreement;
- Possible operating restrictions of the transmission system, which are adopted by the transmission system operator in accordance with this Act and other regulations, and are valid on gas day “D”, to which the forecast is related.

(5) A balancing group leader must ensure a 24-hour availability to be accessible to the transmission system operator for communication and exchange of information in the event of possible higher deviations or operating interventions on the transmission system which may influence the execution of supply contracts.

Article 105

(Daily Nomination)

(1) Balancing group leaders shall be obliged to submit a daily nomination of gas consumption and delivery for an individual balancing group.

(2) A balancing group leader shall submit daily nomination for a specific gas day ("D") no later than by 2.00 pm the following day (hereinafter referred to as: "D-1 day").

Article 106

(Content of Nomination)

(1) The nomination of quantities submitted by balancing groups leaders for entry points and interconnection exit points shall contain the information referred to in Article 13 of the Regulation 312/2014/EU and Article 83 of the Gas Supply Act.

(2) Nomination of quantities for non-interconnected exit points, for which the nomination is required in accordance with the second and third paragraph of Article 104, must contain the following information:

- Time of the start and end of gas flow, for which the nomination is submitted;
- Gas day "D";
- The gas quantity requested to be transmitted, which must be given separately for an individual supply contract.

Article 107

(Procedure of Confirming Nominations)

(1) In the nomination confirmation procedure for every accounting gas day, the transmission system operator observes daily nominations that it receives from a balancing group leader by the deadline set forth in Article 105 hereunder.

(2) The transmission system operator sends a message on confirmed quantities to leader of balancing groups no later than by 4.00 pm on "D-1" day.

(3) The transmission system operator may reject a nomination, if any of the reasons contained in the first paragraph of Article 17 of the Regulation 312/2014/EU, is given.

(4) System users may not execute the rejected nominations.

Article 108

(Changing Confirmed Nominations)

(1) A balancing group leader may change the nomination confirmed in advance, which is related to the interconnection entry or exit point, in accordance with the conditions and within the deadlines referred to in Article 15 of the Regulation 312/2014/EU.

(2) The transmission system operator may reject a re-nomination, if any of the reasons contained in the first and second paragraphs of Article 17 of the Regulation 312/2014/EU, is given.

(3) The change of the daily nomination confirmed in advance for the entry or exit points in the Republic of Slovenia may be submitted by a balancing group leader no later than two hours before the start of the changed transmission. The transmission system operator performs such transmission only if the flow pressure conditions in the transmission system allow so.

Article 109

(Provision of System Services in the Electricity Sector)

(1) In order to provide system services in the area of electricity supply, a system user may, as an exception, as soon as he receives a request for the provision of system services in the area of electricity supply, inform the gas transmission system operator of the nomination of the gas withdrawal and delivery within a time interval, which equals the time interval the user itself accepted the request for the provision of system services in the area of electricity supply.

(2) The system user, who informs the transmission system operator of the nomination set out in the previous paragraph, may send such a nomination as the leader of its own independent balancing group and shall not include in this balancing group withdrawal or delivery points of other system users.

(3) The nominations of quantities submitted by the system user as the leader of the balancing group referred to in the previous paragraph must for entry points contain the information referred to in Article 13 of the Regulation 312/2014/EU, whereby the nomination of consumption quantities requested to be transported must be given separately for an individual supply contract.

(4) Nomination of quantities for non-interconnected exit points, for which the nomination is required in accordance with the second and third paragraph of Article 103, must contain the following information:

- Time of the start and end of gas flow, for which the nomination is submitted;
- Hourly withdrawal or delivery for gas day “D”;
- The gas quantity requested to be transmitted, which must be given separately for an individual supply contract.

(5) If upon sending the nomination of gas transmission the system user referred to in the second paragraph of this Article doesn't have the required quantity of gas, as a leader of an independent balancing group it shall, simultaneously with the nomination to the trading platform set forth in Article 95 hereunder, send the offer for purchase of short-term standardised products.

(6) The transmission system operator confirms the nomination of the system user referred to in the second paragraph of this Article if the pressure conditions in the system allow this and if all requirements set forth in paragraphs 3 through 5 of this Article are met.

6. CALCULATION OF DAILY BALANCING COSTS

Article 110

Incurrence of Liabilities to Pay Daily Imbalance Costs

(1) Leaders of balancing groups, who have an unbalanced position of their balancing group at the end of an accounting day for gas day "D", shall be obliged, for the determined quantity of negative daily deviations, to pay the transmission system operator the amount at a price for negative deviations or are entitled to receive payment for the determined quantity of positive daily deviations or receive credit note at a price for positive imbalances.

(2) Quantitative deviations of gas consumption and delivery for an individual balancing group are determined on the basis of the difference between accepted quantities at entry points and delivered quantities at exit points, which are included into this balancing group.

(3) The amount for daily deviation, which must be paid by and to which a balancing group leader is entitled, is calculated by the transmission system operator, whereby the quantity of the determined daily deviation for an individual balancing group is multiplied with the valid price for the costs of daily deviation, which is determined on the basis of Article 110 of this Act.

Article 111

(Methodology for Determining the Valid Price for the Calculation of Daily Imbalance Costs)

(1) The valid price, in accordance with which the transmission system operator calculates the liabilities relating to daily deviation costs, shall be defined as a marginal sell price, if the quantity of daily deviation is positive, or as a marginal buy price, if the quantity of daily deviation is negative.

(2) The marginal sell price and the marginal purchase price for every accounting gas day are formed on the basis of reference market prices from trading with title products on the trading platform, whereby:

a) The marginal sell price is lower of:

- The lowest sell price of a title product, at which the transmission system operator sold gas on the trading platform on the gas day; or

- Weighted average price of title products for the gas day, reduced by 10%.

b) The marginal purchase price is higher of:

- The highest sell price of a title product, at which the transmission system operator purchased gas on the trading platform on the gas day; or

- Weighted average price of title products for the gas day, increased by 10%.

(3) The weighted average price referred to in the previous paragraph is energy-based calculated weighted average price from trading with title products on the trade platform on the day of gas delivery.

(4) If, on an individual gas day, no transaction with title products was performed on the trading platform, the weighted prices to calculate the marginal sale and purchase prices is determined as an energy-based weighted average of the most recent five trading transactions with title products on the trading platform.

(5) Prices for the calculation of daily deviations valid each time are expressed in EUR/kWh and are rounded to six decimal places using the mathematical rounding principle.

Article 112

(Monitoring Quantitative Imbalances/Deviations)

(1) After a completed accounting day for the gas day "D", the transmission system operator shall determine and provide the balancing group leaders with the following temporary information by 10.00 am on gas day "D+1":

- How much gas was accepted to the system for system users;
- How much gas was delivered from the system for system users;
- Allocation of gas quantities on consumption and delivery points with more suppliers or consumers, and joint measurement;
- Gas quantity, which was delivered to final customers, connected to the transmission system;
- Gas quantity, which was used for compressor operation;
- Daily quantitative imbalance for individual system users;
- Exceeding contractual transmission capacities at an individual user.

(2) After the expiry of the “M” month, the transmission system operator shall determine and provide the balancing group leaders with the information within ten working days after the expiry of the “M” month:

- Gas quantity, which was accepted in the network for the users every day in the “M” month;
- Gas quantity, which was delivered from the system for users every day in the “M” month;
- Gas quantity, which was used for own use in the “M” month;
- Gas quantity on the identified system differences resulting from measurement uncertainties distributed to each day in the “M” month in accordance with the second paragraph of Article 114 of this act;
- Information on daily imbalances for every accounting day for individual users of the transmission system;
- Allocation of daily quantities at consumption points with more suppliers or consumers, and joint measurement;
- Information on costs and revenues, which originate from the carried out balancing actions, and are separately structured by the order of the executed balancing actions set forth in Article 93 hereunder.

(3) It is considered that the findings and measurements, realised after the expired “M” month, are final and are used as such for each calculation of gas transmission.

Article 113

(Method of Calculating Daily Imbalance Costs)

(1) The costs of daily imbalances calculated in accordance with this Act are used as follows:

- a balancing group leader shall be deemed to have sold to the transmission system operator, at the valid price, determined for positive imbalances, in accordance with Article 111 hereunder, gas in the quantity, which is for gas day “D” equal to the quantity of positive daily imbalance, so shall be entitled to receive from the transmission system operator the payment of costs for the positive daily imbalance quantities in the amount defined in accordance with the following formula:

$$Z_{PDO,d} = C_{PDO} \times \Delta Q_{PDO,d} \text{ (v EUR)}$$

Where:

$Z_{PDO,d}$ is the amount of positive daily imbalance;

C_{PDO} is the price determined for positive imbalances, defined in accordance with Article 111 hereunder;

$\Delta Q_{PDO,d}$ is the quantity of daily imbalance in the gas day "D";

- a balancing group leader shall be deemed to have purchased from the transmission system operator, at the valid price, determined for negative imbalances, in accordance with Article 111 hereunder, gas in the quantity, which is for the gas day "D" equal to the quantity of daily imbalance, so he is obliged to pay to the transmission system operator the costs of negative daily imbalance quantities in the amount, defined in accordance with the following formula:

$$Z_{NDO,d} = C_{NDO} \times \Delta Q_{NDO,d} \text{ (v EUR)}$$

Where:

$Z_{PDO,d}$ is the amount of negative daily imbalance,

C_{PDO} is the price determined for negative imbalances, defined in accordance

with Article 111 hereunder,

$\Delta Q_{PDO,d}$ is the quantity of negative daily imbalance in the gas day "D";

(2) The balance of costs of daily imbalances, determined in the method set out in the previous paragraph, shall be cleared by the transmission system operator once a month for the previous accounting month. The balance of items for all days of the accounting month represents the final amount the transmission system operator charges upon or pays to the balancing group leader, and is determined in accordance with the following formula:

$$Z_O = \sum_{d=1}^{n} Z_{PDO,d} - \sum_{d=1}^{n} Z_{NDO,d} \text{ (v EUR)}$$

Where:

Z_o is the amount the transmission system operator charges upon or pays to the

balancing group leader;

n number of days in a month.

7. SYSTEM DIFFERENCES

Article 114

(System Differences)

(1) System differences in the transmission system can be excess or deficit of energy and are a result of measuring uncertainty. Losses are amounts of gas that may occur during the operation of transmission system or during the execution of maintenance works on the transmission system. System differences consist of those that result from measurement uncertainties in kWh (SR_{MN}), and those arising from losses in kWh (SR_{IZ}). System differences as such cannot be measured and represent a calculation correction as an excess or deficit of energy in the transmission system. The transmission system operator establishes system differences by using the following system equation:

$$Q(pred) - Q(prev) - \Delta LP - (SR_{MN} + SR_{IZ}) = 0$$

where the individual notations refer to:

Q(pred)	Energy delivered from the transmission system in kWh
Q(prev)	Energy accepted to the transmission system in kWh
ΔLP	Changes of total energy in the transmission system in kWh (beginning – end of period)
SR_{MN}	System differences arising from measuring uncertainties in kWh
SR_{IZ}	System differences arising from losses in kWh and determined with technological and operating procedures.

(2) The transmission system operator establishes the quantities of system differences arising from measurement uncertainties at the monthly level and distributes them among balance group leaders in a ration of monthly sum of accepted and delivered quantities of an individual balance group leader and the sum of total monthly accepted and delivered quantities of all balance group leaders at entry and exit points of the transmission system. The transmission system operator distributes a monthly quantity of system differences of a balance group arising from measurement uncertainties by days in the proportion of the sum of daily accepted and delivered quantities of the balance group leader and the sum of monthly accepted and delivered quantities of the respective balance group.

8. COSTING OF BALANCING NEUTRALITY

Article 115

(Monthly Statement of Neutrality Costs)

(1) If the transmission system operator, in relation to the balancing of deviations, at the end of every month, records higher revenues than the charges thereof, which originate from

a) Costs for the calculation of daily imbalances;

b) Costs for executed balancing actions;

c) Weighted average costs of capital before taxation, calculated in accordance with the general act of the Energy Agency on the methodology for determining the regulatory framework of the gas transmission system, which are calculated to the average value of the quantity of gas for balancing,

It shall return the amount of the surplus of revenues over the stated expenses to the leaders of those balancing groups, for which balancing of daily imbalances was performed in the respective month. The surplus is distributed among eligible balancing groups leaders in proportion to the sum of absolute amounts of calculated imbalances of individual balancing groups leaders in the respective month.

(2) If the transmission system operator, in relation to the balancing of deviations, at the end of every month records higher expenses set out in the previous paragraph than the revenues thereof, the transmission system operator shall charge the deficit in the following month period to those balancing group leaders, for which the balancing of daily imbalances was performed in the respective month. The deficit is distributed among eligible balancing groups leaders in proportion to the sum of absolute amounts of calculated imbalances of individual balancing groups leaders in the respective months.

Article 116

(Annual Account Settlement of Imbalances on the Basis of Information

on the Offtake on Distribution Systems)

On the basis of the information of distribution system operators, the transmission system operator shall clear the imbalances at an annual level. Distribution system operators shall inform the transmission system operator of the annual reading of meters of final customers with metering devices without mounted tariff memory units, on the actual offtake of these customers in the previous calendar year separately by balancing groups and subgroups. On the basis of this information, the transmission system operator clears the imbalances at an annual level. The transmission system operator calculates the annual average gas price from twelve consecutive average monthly prices calculated on the basis of average marginal sale and marginal purchase prices for an individual calendar month.

9. CALCULATION OF BALANCING COSTS AND THE INVOICING METHOD

Article 117

(Calculation of Balancing Costs)

(1) The transmission system operator shall charge upon or approve the following costs to a balancing group leader no later than within 18 days after the completion of the accounting interval to which the calculation refers:

- Amount of the balance of costs of daily imbalances, determined in accordance with Article 113 hereunder;
- Amount of surplus or deficit of costs for neutrality specified in accordance with Article 115 hereunder.

(2) Individual items of charged costs referred to in the previous paragraph shall be provided by the transmission system operator on the invoice separately, and an appropriate specification shall be enclosed to the invoice.

Article 118

(Compulsory Duties)

The amounts referred to in the previous Article do not include taxes, fees, excise duties, and other levies, and the user of the transmission system is obliged to settle them in accordance with the regulations on taxes, fees, excise duties and other levies.

Article 119

(Maturity of Obligations Relating to the Balancing Costs)

(1) The transmission system operator issues an invoice set forth in Article 117 hereunder with a maturity of 30 days after the occurrence of claim or on the last day of the month for the month of February. The date of the occurrence of claim equals the last day of the accounting month or the month which the invoice refers to.

(2) If a balancing group leader fails to settle its obligation by and including the due date of invoice, the transmission system operator shall charge the balancing group leader with statutory default interest from and including the next day the payment is due and until the payment.

(3) If a balancing group leader fails to settle its obligations in accordance with the first paragraph of this Article, the transmission system operator shall be entitled to immediately ask the balancing group leader to produce other instruments acceptable to the system operator for the insurance of payments, or a different method of payment. The transmission system operator may

ask the balancing group leader to insure the average calculated amount of a two-month payment of the invoice set out in Article 117 hereunder. If the balancing group leader doesn't meet this requirement, the transmission system operator may, after the expiry of 72 hours from the preliminary written notification and the receipt thereof, reject the nominations of gas offtake and intake quantities from that balancing group leader.

10. LINEPACK FLEXIBILITY SERVICE

Article 120

(Linepack flexibility service)

(1) The transmission system operator may offer the provision of linepack flexibility service to transmission system users, if this capacity is available in the transmission system according to current flow pressure conditions, and if the transmission system operator assesses that this service doesn't endanger its gas transmission function and doesn't hinder functioning of the balancing market.

(2) The linepack flexibility service is enabled, if system users balance their intake and offtake over a gas day (day D), and the linepack, which, even if it was exploited, does not endanger the transmission function and hinder the functioning of the balancing market, is still available to the transmission system operator despite the realised or nominated balancing. The transmission system operator can provide the linepack flexibility service, insofar as all conditions referred to in Article 44 of the Regulation 312/2014/EU are met in advance.

(3) The quantity of gas, which is supplied or accepted within the provision of the linepack flexibility service, is observed in the calculation of their quantity of daily imbalance.

(4) The provisions on the calculation of costs for neutrality are not observed in the provision of the linepack flexibility service. The revenues of the transmission system operator generated from the realisation of the linepack flexibility service are other revenues of the transmission system operator.

(5) The transmission system operator shall not be obliged to observe the nominations and re-nominations in the use of the linepack flexibility service, which are sent to the transmission system operator by users, if it has sufficient information at disposal in order to ensure accurate assignment of the use of this service for the following gas day (D+1).

(6) The linepack flexibility service, as the sale thereof, is offered by the transmission system operator to users at a price which is equal to the weighted daily arithmetic mean of marginal sale and marginal purchase price of gas, calculated in accordance with the methodology for determining the valid price for the calculation of costs of daily imbalance, in accordance with the Article 111 hereunder, whereby this price shall not be lower than the purchase price of the transmission system balancing solution is to the transmission system operator.

(7) The linepack flexibility service, as the purchase thereof, is offered by the transmission system operator to users at a price, which is equal to the half of the weighted daily arithmetic mean of the marginal buy price of gas, calculated in accordance with the methodology for determining the valid price for the calculation of costs of daily imbalance, in accordance with Article 111 hereunder.

(8) System users shall inform the transmission system operator of the desired scope of the linepack flexibility service via electronic means of communication, as defined in the balancing contract.

(9) The requests for the sale or purchase of linepack flexibility services are handled by the transmission system operator according to the order of the receipt of requests. In the event of more simultaneously received requests and the lack of sufficient scope of available service, they shall be distributed proportionally to the request or purchase.

(10) The transmission system operator shall issue an invoice for all the provided linepack flexibility services for an individual user once a month for the previous month with a maturity and payment conditions referred to in Article 138 hereunder.

(11) The transmission system operator on its website, within half an hour after the start of gas day "D", publishes the scope of available linepack flexibility service and the price of this service expressed in EUR/kWh. The price is calculated in accordance with the previous paragraph and is based on the information on trading on the trading platform for the gas day "D-1". The transmission system operator on its website updates the published scope of the available linepack flexibility service at least once a day and no later than by 6.30 pm. If the scope of the available linepack flexibility service significantly changes, the transmission system operator shall immediately post such change on its website.

11. **PROVISION OF INFORMATION**

Article 121

(Obligation of the Transmission System Operator regarding the Provision of Information to System Users)

(1) The information, which are provided to system users by the transmission system operator in terms of balancing, refers to:

- Information on the complete state of the transmission system in accordance with point 5 under 3.4 of the Annex I to the Regulation 2024/1789/EU;
- Information on the balancing actions, which the transmission system operator shall adopt in accordance with the provisions hereunder, including the following information for an individual accounting month:
- Total quantities and amounts of calculated imbalances, separately for positive and negative imbalances;
- Total quantities and amounts of charges and revenues relating to execution of balancing service;
- Information on the quantities of consumption and delivery of gas in accordance with Articles 33 through 42 of the Regulation 312/2014/EU.

(2) Information referred to in the previous paragraph shall be submitted to the system users in a uniform manner, as specified by the transmission system operator, and is free-of-charge for system users.

Article 122

(Provision of Information on Flow and Intake and Offtake Quantities)

(1) The transmission system operator shall provide to the balancing group leaders free of charge sufficient, timely and reliable information on quantitative imbalances of their balancing groups, measured within each accounting day within technical capacities of the transmission system, so that they can timely adopt appropriate actions for balancing quantitative imbalances.

(2) The transmission system operator shall monitor the data on quantitative withdrawal or delivery on an individual accounting day for users, who are directly connected to the transmission system.

Article 123

(Notifying the Transmission System Operator of the Allocation of Quantity withdrawal or delivery on the Distribution System among Balancing Groups)

(1) Distribution system operators and operators of closed distribution systems shall, by applying Article 39 of the Regulation 312/2014/EU, provide the transmission system operator at least twice a day for the gas day "D" with the information on quantitative withdrawal or delivery in an individual accounting interval at the connection point of the distribution system, which is structured separately for individual balancing groups or sub-groups, whose members are connected to their distribution system. As regards the obligation of notifying the transmission system operator of the allocation of quantitative withdrawal or delivery on the distribution system among balancing groups, the provisions of the Regulation 312/2014/EU from Article 34(2) through (6) and Articles 35 through 37, shall apply, selected variant 1, time of second update is 8:00 pm.

(2) If the transmission system operator does not receive the information referred to in the previous paragraph in time, it shall be deemed that the ratio of withdrawal or delivery among individual balancing groups or sub-groups matches the last communicated ratio.

(3) The information is provided via electronic method of communication, in accordance with Article 121 hereunder.

Article 124

(Notification of Gas Supply Contracts)

(1) The transmission system operator shall be obliged, in accordance with the eight paragraph of Article 80 of the Gas Supply Act to register all gas supply contracts on the transmission system.

(2) The buyer of gas, for the purposes of which the transmission system operator performs the transfer of gas, shall be obliged, immediately after concluding the supply contract or no later

than 30 days after the signing thereof, to send to the transmission system operator at least the following information from the supply contract, which the transmission system operator shall keep in its supply contract records:

- Name and address of the buyer;
- Name and address of the gas supplier;
- Start date and end date of the supply contract validity;
- Annual quantities of gas, defined in the supply contract with entry and exit point in or from the gas transmission system;
- Particularities of the supply contract, such as interruptibility, the highest daily quantity of gas.

(3) Buyers shall be obliged to send to the transmission system operator all changes to the information referred to in the previous paragraph within 30 days from the change.

(4) Buyers may provide the transmission system operator with the information referred to in second paragraph of this Article by sending it photocopies of supply contracts. The information the transmission system operator receives shall be deemed to be true. When in doubt regarding the integrity of information, the burden of proof shall be upon the buyer, so the transmission system operator may call the latter to prove the accuracy or precision of the provided information.

(5) The transmission system operator shall be obliged, with all due diligence, to keep record of gas supply contracts and regularly update it upon every change.

(6) The transmission system operator shall be obliged to protect the information referred to in this Article in accordance with the obligations referred to in Article 56 of the Gas Supply Act.

VIII. DEVIATION BALANCING WITH EMERGENCY GAS DURING EMERGENCY PERIOD AND MEASURES OF INVOLUNTARY REDUCTION OR INTERRUPTION OF CONSUMPTION

Article 125

(declaration of the level of emergency and measures of involuntary reduction or interruption of consumption)

(1) The provisions of this Chapter shall apply upon declaration of an emergency situation period in accordance with Article 11 of Regulation 2017/1938/EU and when the emergency plan has been declared by competent body (hereinafter: emergency situation period) and simultaneously with other measures fail to provide sufficient gas quantities in relation to the total estimated consumption and system operators, based on the general decision of the competent authority for the implementation of measures at the level of emergency, reduce or interrupt gas consumption at the consumption points of consumers by individual groups and sub-groups specified in Article 13 of the Order on the Gas Emergency Plan (Official Gazette of the Republic of Slovenia, No 109/23).

(2) The transmission system operator submits the general decision of the competent authority from the previous paragraph to the consumers via the transmission system it manages, that, depending on the type of gas consumption from the system, the decision refers to.

Additionally, the transmission system operator shall inform the gas suppliers of these consumers on the content of the decision. The transmission system operator submits the general decision by means of electronic communication.

Article 126

(Emergency Gas and Gas of the Transmission System Operator used for Balancing during Emergency Period and Measures of Involuntary Reduction or Interruption of Consumption)

(1) During emergency periods and carrying out the measures of involuntary reduction or interruption of consumption, the deviations are balanced with emergency gas.

(2) The gas used by the transmission system operator during the emergency period and carrying out the measures of involuntary reduction or interruption of consumption shall be treated as emergency gas.

Article 127

(Price of Emergency Gas for Calculating Deviation Balancing during a Period of Emergency and Involuntary Reduction or Interruption of Consumption)

(1) The price for emergency gas is calculated for the emergency gas quantities released in an individual day upon involuntary reduction or interruption of gas consumption for individual consumer groups with the aim of providing supply to protected consumers or other consumers not yet required to reduce or suspend gas consumption, and is calculated for specifically for each day.

(2) Based on the provisions of the Sub-chapter 2 and 3 of the Chapter III of the Act on the methodology for calculating the price of gas in the event of an involuntary reduction or interruption of gas consumption (Official Gazette of the RS, No 136/22), the compensation for individual consumer groups are calculated to the emergency gas quantities released to the system in an individual day upon involuntary reduction or interruptions of gas consumption. These quantities are submitted to the transmission system operator by the balance group leaders for individual days and shall be calculated in accordance with Article 130 hereof.

Article 128

(the Emergence of the Obligation to Pay for the Expenses of Daily Deviation during an Emergency Period and the Implementation of an Involuntary Reduction or Interruption of Consumption)

(1) The balancing group leaders who, at the end of the accounting day for the supply day “D” have an unbalanced position of their balancing group during an emergency period and implementation of involuntary reduction or interruption of consumption, are obliged to pay the amount of negative daily deviations to the transmission system operator in accordance to the emergency gas price for negative deviations, or for the determined amount of positive daily

deviations, are entitled to payment or to receive credit at the emergency gas price for positive deviations.

(2) Quantitative deviations of the intake and offtake of gas for each balancing group, even during the period of emergency and implementation of involuntary reduction or interruption of consumption, shall be determined based on the difference between the amounts received at the entry points and the off-take amounts at the exit points, which are included in this balancing group.

(3) The amount of the daily deviation that shall be paid, or to which the leader of the balancing group is entitled to, shall be calculated by the transmission system operator by multiplying the amount of the daily deviation identified for each balancing group by the applicable price for the daily deviation expenses of emergency gas determined pursuant to Article 129 of this Act.

Article 129

(The Methodology for Determining the Valid Price for Calculating Expenses of Daily Deviation during an Emergency Period and the Implementation of an Involuntary Reduction or Interruption of Consumption)

(1) The valid price at which the transmission system operator calculates liabilities for daily deviation expenses, shall be determined as the emergency gas price.

(2) The price of emergency gas at involuntary reduction or interruption of consumption is determined for each calculated offtake day pursuant to Act on methodology for calculating gas price at involuntary reduction or interruption of gas consumption (Official Gazette of the Republic of Slovenia, No 136/22) and the Act on the methodology for calculating compensation in the event of an involuntary reduction or interruption of consumption (Official Gazette of the Republic of Slovenia, No 136/22).**Article 130**

(Monitoring of Quantitative Deviations during Emergency Period and Involuntary Reduction or Interruption of Consumption)

(1) Upon conclusion of the accounting day for the supply day "D", the transmission system operator shall determine and by 10:00 am on the day "D+1" provide the balancing group leaders with temporary information, as defined in the first paragraph of Article 112.

(2) Upon conclusion of the month "M", the transmission system operator shall determine and, within ten working days from the conclusion of the month "M", provide the balancing group leaders with separate data, as defined in the second paragraph of Article 112, for the days when normal operation was enabled, and separately for the days when the decision of the competent authority declared the state of involuntary measures to reduce or interrupt consumption.

(3) Within two working days after receiving the data referred to in the previous paragraph, or no later than on the 12th working day following the conclusion of month "M", the balancing groups leaders with positive deviations are obliged to submit to the transmission system operator the distribution of quantities by groups of consumers in accordance with the Act on the methodology for calculating compensation in the event of an involuntary reduction or interruption of consumption (Official Gazette of the Republic of Slovenia, No 136/22) among business consumers,

industrial consumers and power plants, separately for each day of imbalance in the emergency period and involuntary reduction or interruption of consumption.

(4) If the balancing group leaders fail to provide the distribution of the quantities referred to in the previous paragraph, those quantities shall be presumed to have been intended for consumers eligible for the lowest applicable compensation published on the Agency's website.

(5) It shall be considered that the findings and measurements realised and reported on the 14th working day upon the conclusion of month "M" are final and shall be used as final for each calculation of gas transmission during the emergency period and implementation of involuntary reduction or interruption of consumption.

Article 131

(Method for Calculating Expenses of Daily Deviation in the Event of Declared Emergency and Implementation of Involuntary Reduction or Interruption of Consumption

(1) The expenses of daily deviations calculated in accordance with this Act during the period of emergency and implementation of involuntary reduction or interruption of consumption shall be applied as follows:

- the balancing group leader is deemed to have sold to the transmission system operator at a valid price determined for emergency gas in accordance with Article 129 of this Act, a quantity of gas equal to the positive daily deviation quantity on “D” day of delivery of the gas, and is for that reason entitled to have the transmission system operator cover the expenses for the positive daily deviation quantities in the amount determined by the following formula:

$$Z_{PDO,D} = C_{KP,D} \cdot \Delta Q_{PDO,D}\ (v\ EUR)$$

Where:

$Z_{PDO,D}$	amount of positive daily deviation,
$C_{KP,D}$	price of emergency gas for the day of delivery »D«, determined in accordance with Article 129 of this Act,
$\Delta Q_{PDO,D}$	quantity of positive daily deviation on the day of delivery “D”;

- the balancing group leader is deemed to have bought from to the transmission system operator, at a valid price determined for emergency gas in accordance with Article 129 of this Act, a quantity of gas equal to the daily deviation quantity on day “D” of delivery of the gas, and is for that reason obliged to cover the transmission system operator’s expenses for the negative daily deviation quantities in the amount determined by the following formula:

$$Z_{NDO,D} = C_{KP,D} \cdot \Delta Q_{NDO,D}\ (v\ EUR)$$

Where:

$Z_{NDO,D}$	amount of negative daily deviation,
$C_{KP,D}$	price of emergency gas for the day of delivery »D«, determined in accordance with Article 129 of this Act,
$\Delta Q_{NDO,D}$	quantity of negative daily deviation on the delivery day “D”;

(2) The balance of the daily deviation expenses determined via the method referred to in the previous paragraph shall be calculated by the transmission system operator once per month for the past accounting month, separately for days of normal operation in accordance with Article 113 and separately for days during the emergency period and implementation of involuntary reduction or interruption of consumption. The balance of items for all days of the accounting month for the days when there was a declared state of emergency during the period of involuntary reduction or interruption of consumption, represents the final amount that the transmission system operator charges or pays to the balancing group holder and is determined according to the following formula:

$$Z_O = \sum_{D=1}^{n} Z_{PDO,D} - \sum_{D=1}^{n} Z_{NDO,D} \ (v\ EUR)$$

Where:

Z_O	the amount that the transmission system operator charges or pays to the balancing group leader for the days in a period of emergency and implementation of the involuntary reduction or interruption of consumption,
N	number of days in the period of emergency and implementation of involuntary reduction or interruption of consumption in a particular month.

Article 132

(System Differences During Emergency Period and Involuntary Reduction or Interruption of Consumption)

The provisions of Article 114 of the Network Code for the gas transmission system shall apply mutatis mutandis even during the period of emergency and implementation of involuntary reduction or interruption of consumption at the consumption points of consumers by individual groups and subgroups.

Article 133

(Monthly Calculation of Balancing Neutrality Expenses during the Period of Emergency and Implementation of Involuntary Reduction or Interruption of Consumption)

(1) The monthly calculation of neutrality expenses shall be carried out for last preceding month, separately for the days when normal operation was enabled, and for the days during the period of emergency and implementation of involuntary reduction or interruption of consumption.

(2) If when the transmission system operator, within emergency situation period and implementation of involuntary reduction or interruption of consumption related to balancing deviations, at end of each month during this period records higher revenue than it had expenses arising from:

a) Costs for the calculation of daily imbalances;

b) Costs for executed balancing actions;

c) Weighted average capital expenses prior to taxing, calculated in conformity with the act on the methodology for determining the regulatory framework of the gas transmission system operator which are calculated to the average value of quantity of gas for balancing;

amount of surplus of revenue over expenses referred shall be reimbursed to those balancing group leaders for which, in emergency situation period and during implementation of involuntary reduction or interruption of consumption during the last month balancing of daily deviation was implemented, their revenue was higher than expenses under title of implementing deviation balancing of their balancing group.

(3) If the transmission system operator, in relation to balancing deviations in emergency situation period and implementing involuntary reduction or interruption of consumption in the most recent month, records higher expenses referred in the previous paragraph than it had revenue, transmission system operator shall charge deficit in the subsequent monthly period to those leaders balance groups for which balancing of daily deviations during the emergency period or interruption of offtake in the most recent month was conducted and their expenses were higher than revenue under title of implementing balancing deviations of their balancing group.

(4If the transmission system operator, in relation to balancing deviations in emergency situation period and implementing involuntary reduction or interruption of consumption in the last preceding month records higher revenue referred to in the second paragraph of this Article, than it bore expenses, and simultaneously with all leaders of balancing groups their expenses were higher than revenue under title of implementing balancing of deviations of their balancing group, the operator of transmission system shall reimburse surplus of revenue above expenses referred to leaders of balancing groups for which balancing of daily deviations was implemented during emergency situation period and implementing involuntary reduction or interruption of consumption in preceding month.

(5) If the transmission system operator in relation to balancing deviations in emergency situation period and implementing involuntary reduction or interruption of consumption in the last preceding month recorded higher expenses referred to in the second paragraph of this Article than it had revenue, and simultaneously with all leaders of balancing groups their revenue was higher than expenses under title of implementing balancing deviations of their balancing group, operator of transmission system shall charge deficit in subsequent month period to leaders of those balancing groups for which during the emergency situation period and implementing involuntary reductions or interruptions of consumption in preceding month was implemented with daily correction of deviation.

(6) The established surplus or deficit determined as referred in this Article shall be distributed among legitimate leaders of balancing groups in proportion with sum of deviation amounts charged of leaders of balancing groups during the emergency situation period and implementing involuntary reduction or interruption of consumption in the last preceding month, where revenue shall be considered with positive prefix, whereas expenses shall be considered with a negative prefix.

Article 134

(Charging Expenses of Balancing Deviations During the Period of Emergency and Involuntary Reduction or Interruption of Consumption)

(1) The transmission system operator shall no later than 18 days after the conclusion of the accounting month to which the accounting relates, separately charge or allocate the following expenses to the balancing group leader for the days when normal operation was enabled and for the days when a decision of the competent authority declared a state of involuntary reduction or interruption of consumption:

- the amount of the balance of daily deviation expenses determined in accordance with Article 113 and Article 131 of this Act;

- the amount of surplus or deficit of neutrality expenses, determined in accordance with Article 115 and Article 133 of this Act.

(2) Individual items of charged costs referred to in the previous paragraph shall be provided by the transmission system operator on the invoice separately, and an appropriate specification shall be enclosed to the invoice.

Article 135

(Maturity of the Obligations Arising from the Balancing Expenses during the Period of Emergency and the Implementation of Involuntary Reduction or Interruption of Consumption and Payments to the Custodial Account)

(1) The transmission system operator issues an invoice for the amount of the daily deviation expenses determined in accordance with Article 131 of this Act and for the amount of the surplus or deficit of expenses for neutrality determined in accordance with Article 133 of this Act, due 30 days after the claim has arisen, or the last day of the month for the month of February, to a trust account open specifically for this purpose. The date of the occurrence of claim equals the last day of the accounting month or the month which the invoice refers to.

(2) If the balancing group leader fails to pay their obligations to the trust account up to and including the due date of the account, the transmission system operator shall charge them statutory default interest from and including the next day after the due date and until the completion of payment.

(3) All deposits and withdrawals relating to emergency gas during the period of emergency and implementation of involuntary reduction or interruption of consumption shall be made to and from the trust account, which is a special and separate bank account managed by the transmission system operator.

(4) The transmission system operator shall carry out the payment, or shall pay the credits upon receiving the funds to the trust account. At time of commitments due, should at fiduciary/trust account there not be sufficient funds for payment of all commitments, payments to leaders of balancing groups shall be implemented proportionately. Subsequent payments, if any, to fiduciary/trust account for individual accounting month shall be proportionately distributed among legitimate leaders of balancing groups.

Article 136

(Application of Provisions in the Event of Solidarity Aid)

(1) During emergency situation period, when a general decision of competent body is in effect, the provisions of this chapter shall apply mutatis mutandis during the implementation and provision of solidarity aid to balance and charge deviations.

IX. GENERAL CONDITIONS FOR THE DELIVERY AND OFFTAKE OF GAS

1. GENERAL PROVISIONS ON THE CONDITIONS OF ACCESS TO THE TRANSMISSION SYSTEM

Article 137

(Execution of Access to the Transmission System

and Change of Supplier)

(1) A system user may, in respect of the operating restrictions, request for transmission of gas through the transmission system for the purposes of executing supply contracts, if the transmission system operator has assigned IT with the right to use transmission capacities on a specific entry or exit point of the transmission system by virtue of the transmission agreement.

(2) On the basis of the transmission contract and in accordance with the general acts of the transmission system operator set forth in Article 67 hereunder, the transmission system operator shall be obliged to accept gas from the system user at the entry point or shall be required to deliver gas to the system user at the exit point, only to the extent of the maximum contractual capacity and the maximum allowed gas flow, specified with the contract for an individual intake or offtake point. Transmission of gas between entry and exit points is performed within the technical capacities of the transmission system and an individual entry or exit point on the transmission system.

(3) The right to system access may be, in part or fully and against its will, withdrawn from the system user who fails to exploit its contractual capacities, particularly by limiting the competition in opposition to the valid regulations by hindering capacities and assigned to other

system users, in accordance with the general act of the transmission system operator, which regulates the management of occupancy of the transmission system.

(4) The system user, who has been given access to the transmission system at the entry point by virtue of the contract, shall ensure the compliance of the accepted gas with the requirements on the quality referred to in Article 143 hereunder.

(5) If not expressly provided otherwise in the transmission contract for an individual case, the transmission system operator shall not obtain ownership right on gas, which is transmitted through the transmission system in accordance with the system user's order.

(6) A system user is entitled to change the supplier, which is performed by the transmission system operator in accordance with the Gas Supply Act and an executive act of the seventh paragraph of Article 9 of the Gas Supply Act.

Article 138

(Payment Terms and Reminders)

(1) The transmission system operator shall issue an invoice for an individual access service in accordance with this Act, with a maturity of 30 days after the occurrence of claim or the last day in the month for the month of February. The date of the occurrence of claim equals the last day of the accounting month in which the service was rendered.

(2) If the system user fails to settle its obligation by the day of invoice maturity, the transmission system operator shall charge it with legal penalty interest from and including the next day after the maturity and until payment.

(3) In the event of untimely payment, the transmission system operator shall accrue all payments of the system user by the order of the maturity of claims, whereby it shall first pay off costs, then interest and finally the principal value.

(4) If the system user fails to settle its obligations and the execution of the insurance from the given financial guarantee is not sufficient for their payment, the transmission system operator shall be entitled to ask the system user to produce other instruments for the payment of insurance, which are acceptable to the transmission system operator, or another method of payment. When the system user meets a requirement of the transmission system operator in accordance with the payment insurance instrument or another method of payment, the transmission system operator and the system user shall conclude an agreement on the repayment of due obligations, which does not represent the novation of these.

(5) If the system user fails to settle its due obligations in a method in accordance with the previous paragraph, or if it fails to conclude an agreement on the repayment of due obligations referred to in the previous paragraph within 15 days from the receipt of the agreement offer by the transmission system operator, the transmission system operator may, after the expiry of 72 hours from the preliminary written notification, cancel the transmission of gas, whereby it rejects the nominated gas offtake and intake quantities from that balancing group leader.

(6) The provisions of this Article apply, if the general acts of the transmission system operator referred to in Article 67 hereunder don't regulate payment terms and reminders in any other way.

2. MEASUREMENT OF GAS FLOW AND QUANTITIES

Article 139

(Metering Points)

(1) The transmission system operator shall provide the measurements of gas flow and quantities from or to the transmission system at all entry and exit points.

(2) The transmission system operator shall ensure the measurements of flow, quantities, pressure, and, if required, other gas parameters on all connections of the transmission system to other transmission systems (system entry and exit points), if this is not provided by the operator of another transmission system in advance.

(3) If the interconnected gas distribution system is connected to the transmission system with two or more connections (interconnected exit points), in order to determine the delivered quantities of gas from the transmission system, all interconnected exit points to this distribution system, irrespective of their number, are observed as one exit point, where the purpose of the use of this exit point is observed. The provision of this paragraph does not apply in determining the fulfilment of obligations set forth in Article 50 hereunder.

Article 140

(Requirements for Metering Points)

(1) Every metering point must be equipped with a meter and a corrector, which enable continuous measurement of gas flow and quantities for calculation purposes.

(2) A metering point measures the quantity of flown gas in normal cubic meters (Nm3). To convert gas quantities from normal cubic meters to standard cubic meters, divide the quantity in normal cubic meters with a conversion factor of 0.9476.

(3) In the event of defect on metering devices it shall be deemed that during a defect such gas quantity was delivered or accepted as was the average delivered or accepted gas quantity in three comparable periods before the defect, which is duly recorded.

(4) All metering devices must be executed, installed and controlled in accordance with the regulations, which govern the implementation and control of these devices.

(5) If the system users prevent proper registration of consumed quantities of gas, or when it uses gas without the metering devices required or agreed upon, or when the user evades them, the transmission system operator shall disconnect the respective system user on the basis of Article 96 of the Gas Supply Act. In the calculation of network charge and imbalances it shall be considered that the system user realised gas offtake on the respective connection in accordance with the highest contractual capacity.

Article 141

(Electronic Data Transfer)

(1) Metering data from metering points via electronic data transfer system is transferred to the central information system of the transmission system operator, where it is used for determining the transferred quantities and for the calculation of gas transmission.

(2) For metering points, which are not included in the electronic data transfer system, users enter read data via a web application of the transmission system operator. With this web application, the transmission system operator also gives users access to the available data on measurements and readings of metering points.

(3) Measurement data from metering points are the property of the transmission system operator.

3. GAS QUALITY

Article 142

(Quantity of Accepted Gas)

(1) The transmission system operator shall transmit gas of such quality as is accepted at the entry point to the transmission system that it controls and manages.

(2) The quality of accepted gas shall be daily established and documented by the transmission system operator, on the basis of measurements of characteristics of gas of the operator of the adjacent transmission system or on the basis of own measurements, or both. At entry points, where upstream gas network or devices for the delivery of bio-gas or other renewable or low-carbon gases and LNG terminal are connected to the transmission system, the transmission system operator shall determine the quality of delivered gas on the basis of measurements carried out at least once an hour.

(3) Every supplier, who supplies gas to consumers, connected to the transmission system, shall be obliged to submit to the transmission system operator a specification on gas composition delivered for transmission, when and as invited to do so.

(4) Gas in the transmission system is not odorised.

Article 143

(Quality Requirements for Gas)

(1) The transmission system operator shall be obliged to accept for transmission only the gas with the features defined in Appendix 2, which is an integral part of the Act. If any feature of the gas deviates from the allowed, the transmission system operator shall not be obliged to accept such gas for transmission.

(2) Tolerances in the composition of acceptable gas, which is accepted for transmission via the transmission system, shall enable transmission of gas, which resulted from the gasification of liquefied natural gas and biogas, within the specifications set forth in Appendix 2 hereunder.

(3) Users shall personally ensure the suitability of their appliances with the composition of gas.

(4) The transmission system operator shall provide the data on transmitted quantities of gas in energy units. In determining the calorific value of transmitted gas, it shall use the results of measurements of gas characteristics at entry points in the transmission system. Within the transmission system the transmission system operator shall define the calorific value of gas with analytical procedures. Daily quantity in the energy unit shall be defined on the basis of average daily value of calorific value of gas.

4. GAS OFFTAKE FROM THE TRANSMISSION SYSTEM

Article 144

(Assumption on the Accuracy of Quantities)

(1) It shall be deemed that the system user delivers or consumes gas at entry or exit points in the same quantity as was measured at the metering point for this entry or exit point.

(2) If the system user does not agree with the quality or quantity of gas as was measured at the entry or exit point, the burden of proof shall be upon the system user.

(3) Gas flow must be within the operating limits of the gas meter, as set out in the connection contract.

(4) If the gas flow is beyond the operating limits of the gas meter, the transmission system operator shall not be responsible for the prescribed measuring accuracy. In this case it shall be deemed the consumer accepted the measured quantities of gas, irrespective of possible measurement faults of the metering device.

Article 145

(Unauthorised Offtake of Gas)

(1) Every offtake of gas from the transmission system, which is not measured with an appropriate metering device or the metering device doesn’t contain the prescribed stamp displaying its suitability, shall be considered unauthorised offtake of gas.

(2) Offtake of gas without the concluded transmission agreement may also be regarded as unauthorised offtake.

(3) It is also considered to be unauthorised offtake of gas if the system user for an individual customer, despite the request of the transmission system operator referred to in the first paragraph of Article 100 of this act, fails to ensure the coordination of gas intake and offtake within the deadline, and the customer consumes gas from the transmission system contrary to the request.

(4) If the customer, referred to in the previous paragraph, concluded more supply contracts at the respective offtake point, the customer shall be obliged to inform the transmission system operator of the changed relationship of balancing groups at the offtake point within 24 hours after the receipt of the notification by the system user. If it fails to do so, the transmission system operator shall observe the last communicated relationship.

Article 146

(Responsibility for the Unauthorised Offtake of Gas)

(1) If it is not possible to determine the duration of unauthorised offtake of gas, the unauthorised offtake shall be accounted from the last reading of the metering device.

(2) For the period of unauthorised offtake, the transmission system operator shall charge the unauthorised use of transmission capacity and the quantities of gas consumed within this period of time at prices, which apply to the calculation of network charges and the balancing of daily imbalances on the day of the calculation.

(3) The obligation to pay for unauthorised offtake of gas shall be borne by the customer, and jointly and severally with it also the leader of the balancing group into which the offtake point of the customer is included, if it, despite being called upon by the transmission system operator set forth in the first paragraph of Article 100 hereunder, fails to deliver gas or sufficient quantities of gas to this customer for transmission to the transmission system operator.

(4) If the supplier notified the transmission system operator that it will cease supplying gas to the customer at a time defined in advance, and the customer still continues to consume gas, the customer shall be fully responsible for the unauthorised offtake of gas to the transmission system operator, and it shall be deemed to hinder the supply of gas to other customers, except if the customer has concluded more supply contracts at the respective consumption point. If the customer concluded more supply contracts at the respective offtake point, the customer shall be obliged to inform the transmission system operator of a new relationship among balancing groups at the consumption point within 24 hours after the receipt of the notification by the supplier. If the customer fails to do so, the most recent communicated proportion without the contract or contracts that have terminated shall be proportionately applied for the remaining valid contracts.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 147

(Regulation of Legal Ownership Relations on Relocated

Parts of the Transmission System)

The investors, who relocated the parts of the transmission system because of planned construction or because of other actions affecting the safety zone of the gas transmission system, shall be obliged, in accordance with the second paragraph of Article 33, of the Gas Supply Act, to conclude with the transmission system operator an agreement on the change of ownership of such constructed substitute (relocated) parts of the gas transmission system. For the purposes of

concluding the agreement, the conditions contained in the consent of the transmission system operator for the relocation of a part of the transmission system and the functional purpose of the relocated part of transmission system shall apply.

Article 148

(Metering points of System User)

(1) If metering and regulation stations or installations, required for measuring gas flow and quantities at delivery points, are owned by the system user upon the enforcement of this Act, the transmission system operator and the system user shall be obliged to make a written agreement on the performance of measurements at these metering points.

(2) Irrespective of Article 139 hereunder, the transmission system operator shall be obliged to set up measurements of gas flow and quantities in the metering and regulation stations and on installations, which are not owned by it, only if an agreement between the parties referred to in the previous paragraph is achieved or if so agreed upon by the connection contract.

(3) If a user sets up a metering point with measurements of gas flow and quantities on its own, it shall provide the transmission system operator with the data on gas flow and accepted quantities. Data on the flow and accepted quantities of gas shall be, in accordance with the previous agreement between the user and the operator, sent to the transmission system operator.

(4) For control purposes of the metering equipment, the transmission system operator shall have the possibility of unhindered access to the metering point.

(5) The owner of the metering equipment shall be obliged to carry out maintenance and regular official controls of metering equipment in accordance with the rules. The owner of the metering equipment must also perform extraordinary controls at the request of the contracting party or the transmission system operator. In the implementation of extraordinary controls of measurements, the costs thereof shall be borne by the owner of the metering equipment, if the extraordinary control of measurements shows that the extraordinary control was just and that prior to the extraordinary control the measurements were incorrect. Otherwise, the costs of extraordinary control shall be borne by the party who requested extraordinary control.

(6) When the system user is the gas distribution system operator at the third paragraph of Article 139 hereunder, all delivery points for determining the delivered quantities of gas from the transmission system, irrespective of their number, shall be regarded as one point of delivery, whereby the intended use of this delivery point is observed. The data from the measurements established by the system itself shall be organised by individual delivery points and as a collection of all data, as defined in the second paragraph of this Article.

(7) Irrespective of the provision in the previous paragraph, the transmission system operator shall charge the amount for implementation of measurements for every individual metering point at an individual exit point in accordance with the Agency Act governing the methodology for charging the network charge for the gas transmission system.

Article 149

(Start of Application of Article 51 hereof for New Connections)

The provisions of Article 51 hereof on the reimbursement of a share of non-proportionate costs shall be applied to connections of customers to the connections, which have been or will be built on the basis of connection consents, issued after 8 August 2015.

Article 150

(Expiry)

As of the effective date of this Act, the Network Code for the natural gas transmission system (Official Gazette of RS , No 55/15, 80/17, 152/20, 204/21 – ZOP, 136/22 and42/23) shall cease to be valid.

Article 151

(Entry into Force)

This Act shall enter into force 15 days after its publication in the Official Gazette of the Republic of Slovenia.

Appendix 1: Technical requirements for the construction and other interventions in the protected and safety zone of the transmission pipeline

Appendix 2: Technical specifications of gas quality in the transmission system

Ljubljana, 18 April 2025

Plinovodi d.o.o.
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APPENDIX 1 TECHNICAL REQUIREMENTS FOR THE CONSTRUCTION AND OTHER INTERVENTIONS IN THE PROTECTED AND SAFETY ZONE OF THE TRANSMISSION PIPELINE

A. Requirements for project conditions for the confirmation of project solutions for actions affecting the protected zone of the gas transmission system

1. Deviation of activities in the protected zone of the transmission system must be coordinated with regulations;
2. In the project documentation related to the actions in the protected zone of the transmission system, all project solutions referring to transmission pipelines and the belonging protected or safety zone shall be processed and coordinated with the transmission system operator, within the scope of regulations. The project documentation details the gas transmission system, municipal and road infrastructure, facilities and required other spatial planning works. Depending on the intervention in the protected zone and the location of the transmission pipeline, it is required to make a geotechnical/geological report on possible influences of predicted facilities and other activities in the existing transmission pipeline, predict transmission pipeline protection, if required, and mark the closest deviations. In the case of crossings with the transmission pipeline, a longitudinal profile or cross-section of the transmission pipeline with marked allowed deviations and a technical description shall be made. All solutions shall be done in accordance with the valid legislation and the rules for transmission pipelines;
3. Before project design it is required to check the position and depth of the transmission pipeline and other parts of the transmission system, such as elements of cathode protection, signal cables, electrical supply cables, cable channels. Marking-out for the purposes of project design shall be performed by the transmission system operator's authorized representative;
4. On the site of the intervention it is required to enable the construction of the planned transmission system, as is predicted in valid spatial acts;
5. The lowest allowed deviation at crossings of municipal lines with the transmission pipeline shall be in accordance with the regulations on the construction of transmission pipelines of appropriate pressure level. If municipal lines run under the transmission pipeline, the project shall also detail the protection of the transmission pipeline (subsidence of material, protection of isolation of the transmission pipeline from damage, support of excavation walls). If the sewage system crosses the transmission pipeline from above, gas-tight sewage system shall be predicted. When performing maintenance on the sewage system, fire safety regulations and measures shall be observed. In crossing with the transmission pipeline, municipal lines, such as public lightning, electric and telecommunication cables shall be placed in the protective pipe, at least 3 m long, to each side of the transmission pipeline axis. If the transmission pipeline with cathodic protection crosses the metal installation (such as electrical cables with a metal braiding, etc.), a protective measure shall be predicted (such as, metering point for voltage interferences and implementation of measurements after completed works), or indicated why this is not required. Possible grounding system shall be at least 3 m from the transmission pipeline. For a part of the transmission pipeline under eventual new trafficable surfaces it is required to make a statistical calculation of the transfer of loads in the direction towards the transmission pipeline, according to traffic loads and loads in the phase of implementation, according to the geological composition of the ground in cooperation with geology experts. If the calculation shows loads of the transmission pipeline, an appropriately dimensioned protection of the transmission pipeline is processed, where the lowering of ground above the transmission pipeline and thus the decrease of the depth of excavation of the transmission pipeline is not allowed;
6. In the execution of works in the 2 x 5 m zone from the axis of the transmission pipeline it is required to predict special work conditions applying to marking out and protection of transmission pipeline, manual execution of earthmoving works, static solidification of bulk material above the transmission pipeline without vibrations and control of the transmission system operator;
7. Data on existing transmission pipelines are available in the Cadastre of public infrastructure kept by the Surveying and Mapping Authority of the Republic of Slovenia, in accordance with the valid

regulations, and by the transmission system operator. Data on planned transmission pipelines are available from the transmission system operator;
8. In horticultural works (tree-lined alleys or planted trees), installation of fences and its posts, poles, logos and the like) at least a deviation of 2.5 m from the transmission pipeline shall be observed;
9. At least 10 days prior to the beginning of works the investor shall submit to the transmission system operator a written report, a detailed design, order supervision and send data on the contractor and the responsible works manager. The investor or the contractor shall deliver to the transmission system operator for confirmation a situational design of transport routes to the construction site in order to prevent damage to the transmission pipeline;
10. Prior to the start of activities, transmission system operator's authorized person shall mark out the transmission pipeline, and the marked-out route shall be visibly indicated during the implementation of works;
11. All works within the 2 x 5 m of the transmission pipeline zone must be performed under the control of the transmission system operator's representative and in accordance with his instructions. Within this zone of the transmission pipeline any landfill sites for construction or other material as well as the installation of any temporary construction facilities shall not be allowed. Earthmoving works on crossings with municipal lines shall be performed manually, solidification of bulk material above the transmission pipeline is only allowed statically. Transport through the transmission pipeline on the ground with a low load capacity and away from public roads shall only be performed through protected passageways over the transmission pipeline, all in agreement with the representative of the transmission system operator;
12. Protection of transmission pipeline and all other works in its safety zone are performed in accordance with the submitted project confirmed by the transmission system operator. If new issues arose during the implementation of works, which are not discussed in the project documentation, project solutions shall be prepared by the authorized project engineer and coordinated with the transmission system operator. For municipal lines or other actions in the safety zone of the transmission pipeline, which are not discussed in the submitted documentation, it is required to obtain consent or opinion of the transmission system operator on the basis of solutions discussed in the project;
13. Filling up of excavated transmission pipeline can be done after it has been confirmed by the transmission system operator's authorized person in writing that insulation is flawless or that a possible damage has been remediated, if the measurements reveals that it has been damaged during works. Bulk material must not contain aggressive components;
14. After completed works the investor shall submit to the transmission system operator a plan and description of the executed state and obtain from the transmission system operator a written statement or consent to the executed state. With a statement, the transmission system operator shall confirm the fulfilment of his conditions and requirements, his control during construction, and compliance of executed works with valid technical conditions, regulations and standards.

<u>B. Requirements for project conditions for actions affecting the gas transmission system –gas transmission system removal</u>

1. Deviation of facilities from the new location of the gas transmission system or its part must be compliant with the regulations;
2. Before project design it is required to check the position and depth of the transmission pipeline and other parts of the transmission system. Marking-out of transmission pipeline for the purposes of project design shall be performed by the transmission system operator's authorized representative;
3. The investor shall make a detailed design of transmission pipeline relocation, which is a part of the project documentation, where all project solutions relating to the transmission pipeline and the belonging safety zone must be processed and coordinated with the transmission system operator. The documentation shall discuss the transmission pipeline relocation phase separately from the phase of construction of other facilities, whereby it is possible to obtain an operating permit only

for the relocated part of the transmission pipeline. Before gasification of the relocated part of the transmission system it is required to submit to the transmission system operator an operating permit for the relocated part of the transmission system (or the minutes of technical inspection without reservations regarding the issue of the operating permit);
4. Detailed design of the relocation of the transmission system shall also contain the situation with the drawn transmission system, municipal and road infrastructure, facilities and other interventions. It is required to make longitudinal profile or a cross-section of crossing of the transmission pipeline with the dimensioned allowed deviations and a technical report. All solutions shall be done in accordance with the valid legislation and regulations relating to transmission pipelines. The lowest allowed deviation at crossing of municipal lines with the transmission system shall be in accordance with the regulations in the area of the construction of transmission pipelines. If the municipal lines run under the transmission pipeline, the protection of the transmission pipeline shall be predicted (subsidence of material, protection of isolation of transmission pipeline from damage, support of excavation walls). If the sewage system crosses the transmission pipeline from above, gas-tight sewage system (for example, concreted plastic pipes with seals) between inspection chambers and perforated covers of both chambers shall be predicted. When performing maintenance on the sewage system, fire safety regulations and measures shall be observed. If the transmission pipeline with cathodic protection crosses the metal installation (such as electrical cables with a metal braiding, etc.) it is required to deal with possible negative influences and their elimination (such as, installation in a protective plastic pipe at least 3 m long to each side of the transmission pipeline axis, placing metering point and execution of measurements). Possible grounding system shall be at least 3 m from the transmission pipeline;
5. Project documentation for the issue of consent or opinion shall also contain a safety plan for the relocation of transmission system and a land surveying report (coordinates, cadastral plan, list of plot owners where the relocated part of the transmission system runs over, with easement zone, which is 5 m to each side of the transmission pipeline);
6. The investor must provide the transmission system operator with a notification on the start of works (heating off-season) with the following information: works operator, construction control, underground cadastre maker, information on super control over welding and anti-corrosion protection;
7. On the entire section of the relocated transmission system above the transmission system a warning strip for gas shall be placed;
8. Special work conditions are predicted in the 2 x 5 m zone of the transmission pipeline, which are related to marking out the transmission pipeline during the execution of works, manual execution of earthmoving works, control of the transmission system operator and static solidification of filling material. It is required to discuss the protection of the transmission pipeline under trafficable surfaces according to the predicted traffic load and loads in the phase of implementation in cooperation with a geology expert (make a static calculation of loads and protection of transmission pipeline), where the possible lowering of the ground above the transmission pipeline and the decrease of the depth of excavation of the transmission system is not allowed. In horticultural works, such as tree-lined alleys or planted trees, installation of fences and its posts, shafts, poles, logos, overhead traffic signs and the like, at least a deviation of 2.5 m from the transmission pipeline shall be observed;
9. Data on existing transmission pipelines are available in the Cadastre of public infrastructure kept by the Surveying and Mapping Authority of the Republic of Slovenia, in accordance with the valid regulations, and by the transmission system operator. Data on planned transmission pipelines are available from the transmission system operator;
10. The transmission system operator shall issue an opinion for the relocation of transmission system, when the investor submits to the transmission system operator a complete project documentation and the signed contract on the arrangement of mutual relations, as well as an agreement on the cost settlement method. After issuing the opinion for the transmission system relocation, the transmission system operator shall also issue a consent or opinion for the actions in the protected zone;

11. At least 10 days prior to the beginning of works the investor shall submit to the transmission system operator a written report, a detailed design, construction permit, order supervision and marking out, and send the data on the contractor and the responsible works manager. The investor or the contractor shall deliver to the transmission system operator for confirmation a plan of arrangement of the construction site, which will also indicate transport routes along and through the transmission pipeline in order to prevent damage to the transmission pipeline. Protection of the transmission pipeline shall be performed in accordance with the requiremenets of the transmission system operator's authorized representative and the confirmed plan of the arrangement of the construction site. For the construction site, where works at the transmission pipeline are performed and in its safety zone, a safety plan in accordance with the regulations for safe work shall be made, and the construction site shall be restricted by an appropriate stable fence;
12. Prior to the start of activities, the transmission system operator's authorized person shall mark out the position and the depth of the transmission pipeline. Works must be announced to the transmission system operator at least 5 days before the start;
13. Possible technical changes in the execution of works in the safety zone of the transmission pipeline must be prepared by a designer and delivered to the transmission system operator for confirmation. For interventions, which are not the subject of construction permit amendments, it is required to obtain a consent of the transmission system operator on the basis of the performed solutions;
14. Within the 2 x 5 m belt of the transmission pipelines it is not allowed to deposit any construction or other material nor install any temporary construction facilities. In the execution of works in the safety zone of the transmission pipeline, additional requirements of the transmission system operator's authorized representative must be met. In the event of the execution of works contrary to the appendix hereto, the transmission system operator shall be obliged to perform all works along or on the transmission pipeline at the expense of the investor or immediately check the suitability of the executed works with project conditions;
15. The investor or the contractor shall organize the implementation of technical inspections and obtain an operating permit;
16. Before gasification of the relocated part of the transmission system the investor shall obtain and deliver to the transmission system operator all the required documentation, which will enable the operation of the transmission system in accordance with the regulation immediately including the relocated part of the transmission system to the existing gas transmission system, among others also signed contracts on transmission pipeline easement for plots where the easement zone of the relocated transmission pipeline runs, permit of use or the proof of successfully completed technical inspection of the newly-built transmission pipeline without reservations regarding the issue of the permit of use, a land surveying image of the executed state, proof of reliability of facility;
17. The technological procedure of the preparation of the transmission pipeline for cutting and the time of reconnection is performed or defined by the transmission system operator in accordance with the previous programme. During the execution of all machine works and the commissioning of the newly-built transmission pipeline, the transmission system operator's authorized representative shall be present. Connection and commissioning of the newly-built transmission pipeline shall be performed on the basis of the regulated documentation and after preliminary agreement with the expert service of the transmission system operator;
18. Relocation shall be performed before the construction of facilities, which are the reason for the relocation of the transmission system;
19. Filling up of excavated transmission pipeline can be done after it has been confirmed by the transmission system operator's authorized person in writing that insulation is flawless or that a possible damage has been remediated, if the measurements reveal that it has been damaged during works. Bulk material must not contain components that are aggressive to the gas transmission system;
20. Handover is performed in accordance with the contract on the organization of mutual relations, where the relocated part of the transmission system is delivered for possession to the transmission system operator.

Appendix 2 – Technical specifications of gas quality in the transmission system

Gas, which will be supplied for transmission, shall have the following features:

Size	Code	Unit	Value	
			min	max
Wobbe index	*WI*	kWh/m^3	13.59	15.81
Upper calorific value	H_s	kWh/m^3	10.54	12.8
Relative density	*d*	/	0.545	0.7
Total sulphur without odorant	Total S	mg/m^3		20
Hydrogen sulphide and carbonyl sulfide	H_2S + COS	mg/m^3		5
Mercaptan sulphur	RSH	mg/m^3		6
Oxygen	O_2	mol %		0.02
Carbon dioxide	CO_2	mol %		2.5
Hydrogen*	H_2	mol %		2
Water dew point	H_2O DP	°C *at* p_a = 40 bar		-8
Hydrocarbons dew point	HC DP	°C at (1 bar < p_a < 70 bar)		-2
Highest gas temperature	*t*	°C		42
Methane number	MN	/	70	

Notes:

- p_a … is absolute pressure;
- Wobbe index and upper calorific value are given at a reference temperature of gas combustion 25 °C;
- Volumes of gas in m^3 refer to reference conditions at a temperature of 0 °C and at an absolute pressure of 1.01325 bar;
- Methane number is calculated on the basis of algorithms in the SIST EN 16726 standard;
- Gas contains no mechanical matters, resins, liquid hydrocarbons or components, which form resins;
- *Hydrogen value is determined in accordance with Regulation (EU) 2024/1789.