

Basic user manual for online trading application »VTP«

Introduction

Online trading application »VTP« (further: web application VTP) consists of three main functional units:

- Transactions, where members of a virtual point (gas companies and final consumers) perform any transactions with the quantities of natural gas into the transmission system in a virtual point. The participants in transactions agreed transaction parameters (volume, duration and price) outside of the "Virtual point";
- Trading platform, is a service on virtual point, 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 natural gas for the supply within a day or a day ahead.
- Bulletin board, is a service that is carried out directly via a web application which enables transparent information about the offer and demand for natural gas quantities published for virtual point members.

The application process

In order to ensure the possibility of using virtual point services is required concluded Virtual point membership contract between transmission system operator and virtual point member.

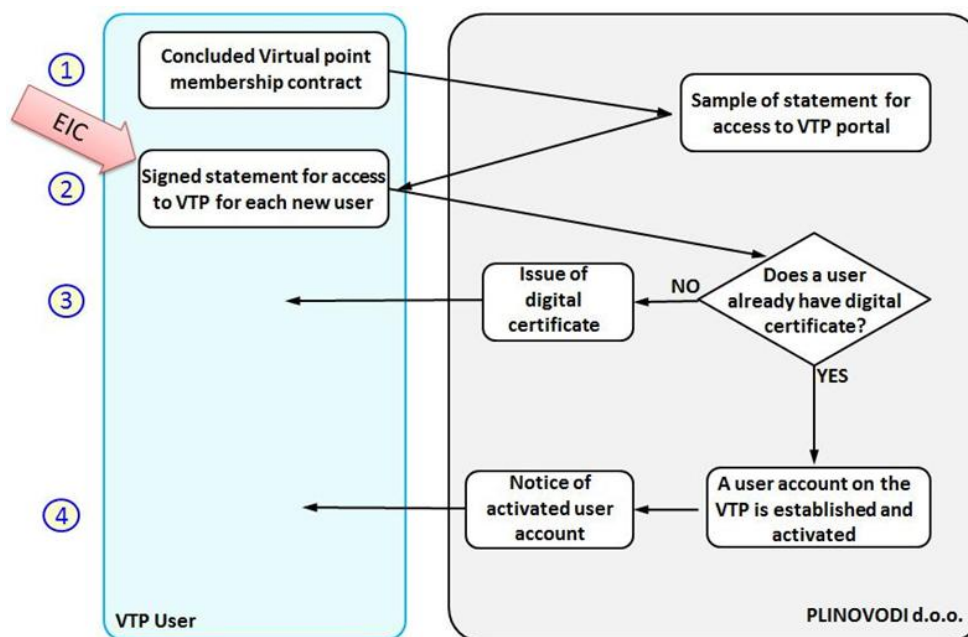


Figure 1: Basic steps for registration in the web application VTP

Web application VTP is available at the web address: <https://epus.plinovodi.si>.

To be able accessing the Virtual point it is necessary to have a valid digital certificate issued by the Slovenian Transmission system operator (TSO), company Plinovodi d.o.o. The certificate is obtained on the basis of the filed form, published on the TSO's website (<http://www.plinovodi.si/en/access/virtual-point/>). The certificate is accompanied by a password to install the certificate. For using web application VTP, user via e-mail receives an activation code. With activation code user has to define the password for login to the web application VTP during first connect. After issuing digital certificate and the inclusion of the user to the system of web application VTP, the new user has access to online trading application VTP.

Description of virtual point services

Transactions

Web application VTP enables members of virtual point performing transaction with the natural gas inside the transmission system. Transaction is any legal transaction concluded by natural gas market operators (gas companies and final consumers) based on which the right to disposal of a certain quantity of natural gas in the transmission system changes. Natural gas market operators can execute all transactions in amounts of natural gas in the transmission system at a virtual point regardless of the entry or exit point of the transmission system, if they notify such transactions to the transmission system operator (TSO). As part of the transactions of quantities of natural gas at the virtual point there is allowed also transactions of natural gas where transaction participant does not have concluded transport contract. In such case a suitable the transport contract at the entry and exit points must be concluded for the quantities, which are the subject of transaction, for the charging period or periods for which the transaction refers.

Notifications of transactions are provided to the TSO through the web application VTP and each notification contains the following data:

- transaction participant,
- type of transaction (sale or purchase),
- date of gas day or period which the transaction refers to,
- starting hour of transaction,
- hourly quantity of natural gas in the unit of kWh/h,
- price of natural gas in the unit of cent/kWh (optional).

The transaction participants are entitled to notify the transaction that refers to the day-ahead delivery on the previous gas day of delivery “D-1” within the two deadlines, if possible by 2:00 p.m. (CET/CEST), otherwise by 7:00 p.m. (CET/CEST).

The transaction participants are entitled to notify the transaction that refers to the delivery during a gas day “D” within the interval between 9:00 a.m. (CET/CEST) and 7:00 p.m.

(CET/CEST), effective at least two hours after the first full hour following the notification of the transaction. The transmission system operator shall check the conformance of transactions every full hour within the interval for the notification of transactions for delivery within a gas day.

The transaction participants are entitled to notify the transaction that refers to a weekly delivery valid from Monday at 6:00 a.m. (CET/CEST) until the following Monday at 6:00 a.m. (CET/CEST) (7 days) at the latest on the previous gas day of the weekly delivery "Sunday" by 2:00 p.m. (CET/CEST).

The transaction participants are entitled to notify the transaction that refers to a monthly delivery valid from the first day of the month at 6:00 a.m. (CET/CEST) until the first day of the next calendar month at 6:00 (CET/CEST) on the last gas day in the previous calendar month by 2:00 p.m. (CET/CEST).

Each transaction participant shall provide their notification for each transaction. Any notification that is not submitted in the above determined way shall be considered as non-existent.

TSO can reject the notification of transaction if the data notified from each of the transaction participant in an individual transaction are not matched, if an individual transaction or a chain of transactions have not been completed and if an individual transaction or a chain of transactions are not in accordance within the concluded transport contract at the entry and exit point.

TSO shall provide to each virtual point member who has submitted the notification of transaction half hour after the end of the deadline for the notifications of transaction. The allocation principle at the virtual point is done according to rule that the allocated quantity is equal to the approved quantity.

Trading Platform (TP)

The services provided by Trading Platform (TP) enable trading participants to carry out transactions with quantities of natural gas in form of short-term standardized products (STP). STP is notified hourly quantity from starting hour for all the remaining hours of the gas day and is zero for all hours prior to the starting time. Natural 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 STP continuously throughout the gas day, 7 days a week.

Trading platform services can be used by network users, who become members of the VTP and conclude a balancing contract with TSO. TSO trades on the trading platform under the same conditions as valid to other system users of TP.

Submission of an offer on TP via web application contains the following data:

- type of transaction (sale or purchase),

- date of gas day which the offer refers to,
- starting hour of transaction,
- hourly quantity of natural gas in the unit of kWh/h,
- price of natural gas in the unit of cent/kWh,
- possibility of partial quantities (yes or no).

By publishing an offer for sale or purchase of a specific short-term standardized product means publishing a binding offer for those who added the offer, and its acceptance concludes the transaction on the sale or purchase of this standardized product.

Each offer is anonymous to other members of TP and is disclosed to the partner in business or transaction until after the acceptance of the offer. In the context of web application VTP the TP user may pre-determine the selected partners for trading with standardized products on TP. Authorization of the transaction between two members of TP is not required by the OPS.

To successfully execute the transaction for the day ahead it is necessary to make a deal through a web application no later than 2:00 pm (CET/CEST) on the day before the gas day “D-1”, where the first possible hour of the natural gas quantity exchange is at 6:00 am (CET/CEST) on gas day “D”.

For successful execution of the transactions within gas day it is necessary to make a deal through a web application at least 2 hours “H-2” before the starting hour of the natural gas quantity exchange “H”.

Bulletin board

The bulletin board is a service of virtual point and is a functional module carried out via web application VTP. It enables transparent information about the offer and demand for natural gas quantities published by virtual point members.

Offers and demands published via VTP module “Bulletin board” does not contain gas price and are visible to all members of VTP. Aggregated data from bulletin board (type of listings, listed natural gas quantities and period) are also published on the website of the TSO. The TSO shall not be held responsible for the authenticity of the published data.

Users interested for one of published offer on bulletin board can agree to the deal and notify the concluded transaction to the TSO via the “Transaction” functionality in VTP.

Detail user manual of web application VTP with detail instructions and procedures for each services of virtual point is published inside of web application VTP.