

III. OTHER PROVISIONS

NATIONAL COMMISSION ON MARKETS AND COMPETITION

6226 *Resolution of 9 June 2020, of the National Commission on Markets and Competition, approving the procedure for the authorisation and cancellation of the balancing portfolio of users of the gas system in the virtual balancing tank, the virtual balancing point and the virtual balancing storage; and the framework contract for the balancing portfolio.*

The Regulatory Oversight Chamber, in accordance with the duties set out in Article 7.1.e of Law 3/2013 of 4 June, regarding the creation of the National Commission on Markets and Competition (CNMC), amended by Royal Decree-Law 1/2019, implemented by means of CNMC Circular 2/2020 of 9 January, establishing the balancing regulations of the natural gas system, and in accordance with the provisions of Article 5 of said circular, have reached the following resolution:

Findings of fact

One.

Article 7 of Law 3/2013 of 4 June, creating the National Commission on Markets and Competition, amended by Royal Decree-Law 1/2019, regarding oversight and control in the electricity sector and the natural gas sector, sets out in its first paragraph the authority of the CNMC, by means of Circulars, over the methodologies relative to the provision of balancing point services in such a way as to offer adequate incentives to network users to balance their entrance and exit points to and from the gas system within the regulatory framework for access and operation defined in Law 34/1998 of 7 October, governing the hydrocarbons sector and its implementation regulations.

On 17 January 2020, CNMC Circular 2/2020, dated 9 January, was published in the "Official State Gazette", establishing the rules for natural gas balancing, which repealed Circular 2/2015, dated 22 July, establishing the balancing rules in the gas system transmission network.

Article 5 of Circular 2/2020 establishes the obligation for users of the gas system who wish to operate in the transmission and distribution network, regasification plants and/or underground storage facilities, to be authorised as users with a balancing portfolio in the corresponding balancing area, i.e. virtual balancing point (PVB), virtual balancing tank (TVB) and/or virtual balancing storage (AVB). To this end, the technical manager of the system must develop the procedure for authorising and cancelling users of the balancing portfolio in PVB, TVB and/or AVB, which will include the signing of a single framework contract, and submit this to public consultation by the sector. It also determines the minimum content of this framework contract, which will include, inter alia, clauses on the requirements for invoicing and settlement of imbalances, payment guarantees, conditions for suspension of the balancing portfolio, how to act in the event of force majeure and unforeseen events and the circumstances for the termination and transfer of the contract. Finally, the aforementioned Article 5 sets out that the framework contract will comply with the methodologies referred to in this circular with regard to the economic surcharges for imbalance and cost allocation of balancing actions and services.

Two.

Through its website, the technical manager of the system submitted to public consultation its proposal for the procedure for the authorisation and cancellation of the balancing portfolio of gas system users in TVB, PVB and AVB and the framework contract for the qualification of the balancing portfolio, from 20 January 2020 to 3 February 2020.

On 7 February 2020, a letter from the technical manager of the system was entered in the electronic register of the National Commission on Markets and Competition, submitting the proposed procedure for the authorisation and cancellation of the balancing portfolios of TVB, PVB and/or AVB and a proposal for a framework agreement for the balancing portfolio, in accordance with Article 5 of Circular 2/2020 of 9 January. The letter was accompanied by comments from nine agents received during the public consultation period.

The proposal of the technical manager of the system details the steps to be followed by users and groups of users to request the authorisation and/or cancellation of their balancing portfolios in the different balancing areas of the gas system. Although this proposal of the technical manager of the system complied with the provisions of the aforementioned article 5 of Circular 2/2020, of 9 January, modifications have been introduced to it, both with regard to the authorisation procedure and with regard to the framework contract, which have been included in the version that is the subject of the hearing procedure by the National Commission on Markets and Competition. With respect to the authorisation procedure, modifications have been incorporated with respect to the information to be provided by users to commence the procedure, as well as the need to confirm completion of this authorisation procedure. Likewise, certain amendments have been made with respect to guarantees in groups of users. The latter provision on guarantees in the case of user groups has also been transferred to the version of the framework contract submitted for hearing by the National Commission on Markets and Competition. In this version of the contract, the limitations on the operation of balancing portfolios have been adapted in accordance with the provisions of Circular 2/2020, of 9 January, in the event of failure to pay imbalances, replacement of guarantees and/or new guarantee requirements.

Three.

The National Commission on Markets and Competition has submitted the proposal to the interested parties for a hearing through the Hydrocarbons Advisory Council.

On 16 April 2020, and in accordance with the tenth transitional provision of Law 3/2013 of 4 June, the "Proposal for a resolution approving the procedure for the authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio" was sent to the Hydrocarbons Advisory Council, so that its members could present the arguments and observations they considered appropriate within twenty working days.

Likewise, on 16 April 2020, in compliance with the public information procedure, the aforementioned proposal for a resolution was published on the website of the National Commission on Markets and Competition so that they could make their arguments within the same period of twenty working days.

Findings of Law

One.

Pursuant to the provisions set out in article 7.1.e) of Law 3/2013, of 4 June, on the creation of the National Commission on Markets and Competition, amended by Royal Decree-Law 1/2019, the National Commission on Markets and Competition

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approved Circular 2/2020, of 9 July, issued by the National Commission on Markets and Competition, establishing the natural gas balancing regulations.

Article 5.4 of the aforementioned Circular 2/2020, of 9 January, establishes that the technical manager of the system will send its proposal for the authorisation procedure and the framework contract to the National Commission on Markets and Competition, which will approve it through a resolution, after a hearing and after making the modifications it considers necessary, if any. Once the aforementioned procedure and framework contract for authorisation of the balancing portfolio have been approved, the National Commission on Markets and Competition will send them to the technical manager of the system, who must publish them on its website. Without prejudice to the foregoing, said procedure and framework contract for authorisation of the balancing portfolio will be published in the “Official State Gazette” and will be applicable on the day following its official publication.

Two.

This resolution, in Annex II, contains the template balancing portfolio framework contract, which must be signed by the users authorised to operate in the balancing areas in PVB, TVB and/or AVB. The contract establishes the framework for action by the agents and the technical manager of the system (obligations and responsibilities) in relation to their balancing, the causes and consequences of the limitation on the operation of the balancing portfolio, the causes of deregistration and termination of the contract and other general issues relating to the settlement of imbalances, situations of force majeure or unforeseen circumstances, non-disclosure, data protection, grievance resolution, communications, etc. The resolution also includes, in Annexes III to V, a template power of attorney, the document declaring the grouping of users’ balancing portfolios and the document acceding to the balancing portfolio framework contract.

In the light of these considerations, the National Commission on Markets and Competition rules:

One.

To approve the procedure for authorisation and cancellation of the users’ balancing portfolio in the virtual balancing tank (TVB), the virtual balancing point (PVB) and the virtual balancing storage (AVB) set out in Annex I to this resolution.

Two.

To approve the framework contract for the balancing portfolio authorisation contained in Annex II to this resolution, in addition to the documents contained in Annexes III, IV and V.

Three.

To render void, in the terms resulting from the resolution four hereunder, the Resolution of 1 March 2016, of the National Commission on Markets and Competition, which approves the procedure for the authorisation and cancellation of users with a balancing portfolio at the virtual balancing point and the framework contract.

Four.

Subjects with a framework contract for the authorisation of the balancing portfolio in force must adapt their contracts to the template framework contract to be approved by signing the document of accession set out in Annex V to this resolution. The adaptation process will be carried out within a deadline of three months from the date on which this resolution takes effect. The document of accession to the framework contract will be available on the website of the technical manager of the system.

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Five.

This resolution will enter into force on the day following its publication in the "Official State Gazette".

This resolution is to be notified to the Directorate General for Energy Policy and Mines and to Enagás GTS S.A.U.

This resolution ends the administrative channel and cannot be overturned. However, this Resolution may be appealed before the Administrative Disputes Chamber of the National Court within a period of two months, in accordance with the fourth additional provision, paragraph 5, of Law 29/1998 of 13 July.

Madrid, 9 June 2020 - The Board Secretary of the National Commission on Markets and Competition, Joaquim Hortalà i Vallvé.

ANNEX I

Procedure to authorise and cancel the users' balancing portfolio in the virtual balancing tank (TVB), the virtual balancing point (PVB) and Virtual Balancing Storage (AVB)

1. Purpose

The purpose of this procedure is to establish the requirements and the authorisation process so that the subjects can operate and make notifications of LNG and/or gas transactions in the balancing areas in the virtual balancing tank (TVB), in the virtual balancing point (PVB) and/or virtual balancing storage (AVB) and, therefore, have a balancing portfolio in these areas. Likewise, the process to be followed to proceed to the limitation in the operation of the aforementioned balancing portfolios and to the decrease of them is defined.

2. Scope of application

This procedure applies to users interested in having a balance portfolio to operate at the TVB, PVB and/or the AVB and to the Technical Manager of the System.

3. Authorisation request

Parties interested in obtaining authorisation to have a TVB balancing portfolio at the PVB and/or the AVB must fill out the authorisation request and send it directly to the Technical Manager of the System by email, duly completed and with their electronic signature. The form is available on the website of the Technical Manager of the System.

Shippers and/or direct consumers who have decided to group under article 3.1.a) of Circular 2/2020, of 9 January, from the National Commission on Markets and Competition, which establishes the rules for balancing natural gas (Circular 2/2020), must complete the declaration of user grouping, which appears as annex IV of the Resolution from the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio, which is published on the website of the technical manager of the system.

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3.1 Information and documentation required for authorisation.

The application for authorisation will contain the following information:

a) Information on the subject of the System requesting authorisation:

1. General information on the subject requesting authorisation

- Company name, Tax ID No. or VAT No., registered office and address for tax purposes.
- SIFCO and EIC code.
- Type of subject: shipper, direct market consumer, natural gas transporter, natural gas distributor, central counterparty, Strategic Reserves of Petroleum Products Corporation (CORES)⁽¹⁾.
- Requested balancing portfolios (TVB, PVB and/or AVB).
- If you wish to be part of a grouping in any of the requested balancing areas.
- Starting dates of the requested balancing portfolios, which will be subject to completion of the authorisation process.

2. Information on the person or persons who will act on behalf of the subject requesting authorisation:

- Name and surname(s).
- Certified copy of National ID Card/Foreigner's ID No./passport of each person requesting access to the platform.
- Email address of each person requesting access to the platform.
- Type of representation: (i) representative with power to request the authorisation or cancellation of the balancing portfolio or portfolios and to sign the corresponding documents, as well as to carry out the other steps of the balancing portfolio or portfolios (signatory); or (ii) representative with power to consult or carry out procedures for the balancing portfolio or portfolios, although without signing powers for the purpose of authorisation or cancellation of the balancing portfolio or portfolios (consultant).

In addition, for persons with representation status as signatories, the following will be facilitated:

- Qualified digital certificate from a recognised entity in the European Union, a list of which can be found on the European Commission's CEF Digital website.
- Power of attorney accrediting the powers of the signatory of the application on behalf of the subject wishing to be authorised, including the powers of the template in Annex III of the Resolution of the National Commission on Markets and Competition approving the procedure for authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio, or those powers equivalent to those of the aforementioned Annex III that the Technical Manager of the System considers sufficient. The power of attorney will be drawn up in Spanish and, in the case of companies with their registered office outside Spanish territory, must include the Hague Apostille.

b) Information for the purposes of settlement and billing of imbalances.

1. Information on the person or persons who will act on behalf of the subject entitled to the processes of settlement, invoicing and management of collections and payments of imbalances:

- Name and surname(s).
- Certified copy of National ID Card/Foreigner's ID NO./passport of each person who will act on behalf of the authorised subject.

¹ This includes, in addition to the shippers and direct consumers, other subjects who, in accordance with Article 61 of Law 34/1998, of 7 October, on the Hydrocarbons Sector, may introduce natural gas into the system, for the purposes set out in that article.

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- E-mail address of each person who will act on behalf of the authorised subject.
- Mobile phone number of each person who will act on behalf of the authorised subject.

2. Bank account details for the settlement and billing processes of imbalances:

- Bank.
- SWIFT.
- IBAN.

The certificate of ownership of the account issued by the corresponding bank must be attached.

c) Information on authorisations for access to the SL-ATR and receipt of communications of an informative nature in relation to the balancing:

1. Details of persons with access to the SL-ATR:

- Name and surname(s).
- Certified copy of National ID Card/Foreigner's ID No./passport of each person requesting access to the SL-ATR.

- E-mail address of each person requesting access to the SL-ATR.
- Mobile phone number of each person requesting access to the SL-ATR.

2. Contact persons for informative communications by business process:

- Name and surname(s).
- Mobile phone.
- E-mail.
- Selection of processes for notifications.

d) Other information:

1. Where appropriate, details of the service provider to make notifications on behalf of the user, as provided for in Article 6.3 of CNMC Circular 2/2020 of 9 January:

- Company name, registered office and VAT number of the service provider.
- Authorised persons of the service provider:

- Name and surname(s).
- Certified copy of National ID Card/Foreigner's ID No./passport of each person requesting access.
- Email address of each authorised person.
- Mobile phone of each authorised person.

2. Any other information which, in view of the concurrent circumstances and in accordance with the principles of necessity, proportionality and non-discrimination, the Technical Manager of the System considers it necessary to request, and must justify its request in the above principles.

3.2 User grouping Statement.

In the event that the user forms part of a user grouping, the corresponding user grouping statement by balancing area will be required, establishing the list of users forming part of the group and identifying which of them will act as the group's managing user.

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The user managing the grouping must provide the Technical Manager of the System with the foregoing user grouping statement (shown in Annex IV of CNMC Resolution approving the procedure of authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract of balancing portfolio, duly signed by each member of the grouping).

The user grouping will be governed by the relevant provisions of Circular 2/2020, as well as by clause 7 of the balancing portfolio framework contract.

3.3 Authorisation process.

3.3.1 Process for accepting the application for authorisation.

Once the application for authorisation has been received by the Technical Manager of the System, it will review and validate the information required for the authorisation process. When, on the basis of the documentation submitted, the Technical Manager of the System deems it necessary to successfully complete the qualification procedure, the Technical Manager of the System may, within three days of receiving the application, request a meeting with the applicant subject at this stage of the authorisation process, to be set at a mutually convenient time.

Having validated the information, the Technical Manager of the System will calculate the guarantees to be established by the applicant subject in relation to the balancing in accordance with Article 27 of Circular 2/2020. This will be done within 10 days from the receipt of the initial application, the application corrected according to the last subparagraph of this paragraph or, where appropriate, 5 days after the interview with the applicant takes place. These guarantees must be submitted to the guarantee manager referred to in the tenth additional provision of Circular 2/2020. The Technical Manager of the System will inform the applicant user and the guarantee manager of the amount required. The Technical Manager of the System will confirm with the guarantee manager that the subject has arranged the guarantees.

The request admission process will end when the following requirements have been met:

1. The request has been correctly completed;
2. The documents required in point 3 of this procedure have been submitted and the Technical Manager of the System has verified that they are valid and appropriate for the authorisation process.
3. The Technical Manager of the System has confirmation from the guarantees manager that the applicant has deposited the guarantees for balancing portfolios in the required amount and for the required term.
4. The meeting with the applicant has taken place, if the Technical Manager of the System has requested it.

The Technical Manager of the System will confirm to the applicant that the foregoing requirements have been met and that the application process has been completed by any means that provides proof of receipt of the communication.

If a subject's application for authorisation is incomplete or does not follow this procedure, the Technical Manager of the System will, within five days of receiving the application, ask the applicant to correct the documentation sent by any means that provides proof of its receipt. The Technical Manager of the System will consider the application for authorisation not to have been formalised if the applicant does not correct the documentation within ten working days of the TMS sending the request. If this happens, the Technical Manager of the System will notify the applicant of the lack of authorisation by e-mail within a deadline of five days.

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3.3.2 Process of signing the document of accession to the balancing portfolio framework contract.

Immediately after completion of the acceptance process of the application for authorisation, the technical manager of the system will provide the applicant with the following documentation:

1. Electronic platform access data for the management of the framework contract accession document;

2. Electronic platform access data for receiving electronic billing;

3. Document of accession to the balancing portfolio framework contract for signing. In addition, and if they are not already signed, the applicant must sign the following documents within 3 days from their submission by the technical manager of the system:

3.1 If a balancing portfolio is requested in TVB and/or AVB, the document of accession to the framework contract for access to the gas system facilities will be signed.

3.2 Document of accession to the framework contract for identification and authentication of users for access to the Enagás GTS information systems

3.3 Document of accession to the framework contract for access and use of the SL-ATR system.

4. The effective start date of the requested balancing portfolios.

5. The current account numbers of the Technical Manager of the System through which invoice payments will be made.

6. Any other information that the technical manager of the system considers necessary.

After the user and the technical manager of the system have signed the documents of accession to the framework contract, the technical manager of the system will update and publish on its website the list of users authorised to have a balancing portfolio in the balancing areas in TVB, PVB and AVB.

The technical manager of the system will make every effort to ensure that the user authorisation process is carried out expeditiously and that the effective start of activity takes place, as far as possible, on the dates desired by the user. In any case, the technical manager of the system must authorise the user within a deadline of 10 working days from the end of the application acceptance process.

The user will be obliged to notify the technical manager of the system immediately if the former enters an insolvency situation or any relevant information that could affect the continuity of its authorisation. The communication can be made by any means, including certified e-mail, that provides evidence of being received.

4. Voluntary cancellation of the user with balancing portfolios.

4.1 Request for voluntary cancellation of the balancing portfolios.

The user may request the voluntary cancellation of one or more of its balancing portfolios, by completing and emailing to the technical manager of the system the balancing portfolio cancellation request form available on the website of the technical manager of the system.

In their requests, users must include the date on which they wish to cancel their user status; under no circumstances will this date be any sooner than one month from submitting the request.

4.2 Process of voluntary cancellation of balancing portfolios.

Once the validity of the application has been checked, the technical manager of the system will determine and inform the applicant of the effective date of removal from the portfolio, and may require any additional documentation necessary for processing the cancellation.

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The termination date of a portfolio will always be after the date of delivery of the last transfer of ownership of gas reported by the Organised Gas Market received for that user and attributable to that portfolio.

The termination of all the user's balancing portfolios will result in termination of the user's balancing portfolio framework contract.

The termination of some but not all of the balancing portfolios will not result in termination of the framework agreement for the balancing portfolio, but rather the impossibility of operating and making notifications of LNG and/or gas transactions in the balancing areas where it no longer operates. Termination of the balancing portfolio will be formalised by the incorporation of an addendum to the framework agreement with the requested update.

All addenda will be signed electronically.

In any case, the cancellation of a portfolio will not exempt the user from complying with the outstanding payment obligations arising from its operation in the balancing areas in accordance with the balancing portfolio framework contract, including the obligations arising from the supply to its customers. Accordingly, the necessary balancing guarantees will be retained to ensure compliance with payment obligations, until the user makes the payments arising from settlements of the definitive final balance of all its balancing portfolios. In addition, the user's risk level will be calculated and the balancing guarantees will be managed in accordance with its operations in the balancing areas in which it has an authorised balancing portfolio.

5. Restriction in the operation of a user's balancing portfolio

The operation of the balancing portfolio in a balancing area may be restricted for one of the reasons included in clause 15 of the balancing portfolio framework contract.

6. Change in the information

Users must inform the technical manager of the system of any change in the data provided for their authorisation referred to in this document, as well as any change affecting a group of users.

Through its website, the Technical Manager of the System will provide users with the forms for notifying changes in the data of the users, and such forms must be accompanied by the necessary documentation, as applicable.

Change notifications will be received by the Technical Manager of the System no later than ten days before the date on which the change is to take place.

In all cases, the Technical Manager of the System will determine the effective date of the change and inform the applicant after checking the scope of the change and the validity of the change request and the required documentation.

6.1 Change in the circumstances of a user group.

If, having set up a user group, a change takes place with regards to its circumstances due to the voluntary dissolution of the group, the inclusion of a new user in the group or the cancellation of a user included in the group, or a change in the user managing the group, such change must be notified to the technical manager of the system.

Notification of a change in the group's circumstances, together with the necessary updated documentation, must be received by the Technical Manager of the System at least ten days before the change is made and, by default, will be effective on the first day of the month following confirmation by the Technical Manager of the System.

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The technical manager of the system will require the updating of the documentation described in section 3 of this procedure and, where applicable, that required in clause 7.3 of the framework contract for the authorisation of the balancing portfolio included in Annex II to the Resolution of the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio.

Such confirmation will be made by the technical manager of the system within 5 days from the date of notification of the change.

Where the change in the status of the grouping requires the imbalance guarantees to be adequate, confirmation from the technical manager of the system will not be issued until it is satisfied that the guarantees have been adequate.

7. Availability of the information

All templates and forms referred to in this procedure will be published on the website of the Technical Manager of the System.

Likewise, the technical manager of the system will publish and keep updated on its website the list of authorised users with their respective balancing portfolios.

In the event that access to the information systems is not possible, users can use the customer service channel of the technical manager of the system.

ANNEX II

Framework contract for balancing portfolio authorisation

Party of the first part, Enagás GTS, S.A.U. (hereinafter the "technical manager of the system"). Party of the second part, the subject requesting the balancing portfolio (hereinafter the "user").

RECITALS

One.

Whereas, in accordance with article 4.3 of Circular 2/2020, of 9 January, from the National Commission on Markets and Competition, which establishes the rules for natural gas balancing (Circular 2/2020), the technical manager of the system is responsible for maintaining the gas system facilities within the normal limits of operation, both in the regasification plants, the transmission network and the underground storage facilities. In addition, the technical manager of the system will be responsible for calculating the balancing of each user in the balancing areas, as well as for billing the surcharges that may arise from them and from use of balancing actions.

Two.

Whereas in accordance with article 4.2 of Circular 2/2020 the user is responsible for balancing equilibrium in the balancing areas, for which purpose, during the gas day, it may increase or reduce its gas inputs and/or outputs in the balancing areas.

Three.

Whereas pursuant to article 5 of Circular 2/2020, subjects who wish to operate in any of the balancing areas, and therefore have a balancing portfolio, must be authorised as users of said balancing areas.

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Four.

Whereas this contract contains the terms and conditions that will govern the actions of both the technical manager of the system and the user in relation to the operation in the different balancing areas.

Five.

Whereas the parties are in possession of the relevant administrative authorisations and meet the relevant legal requirements for the exercise of their activities in the balancing areas.

Having received the formal request from the user declaring its interest in having a balancing portfolio, the Parties have agreed to execute this Contract subject to the following:

CLAUSES

One. Purpose.

The purpose of this contract is to establish the necessary requirements to enable the user (defined in article 3.1.a of Circular 2/2020) to communicate notifications of LNG and/or gas transactions, as well as to operate in the balancing area, virtual balancing point (PVB), virtual balancing tank (TVB) and/or virtual balancing storage (AVB) balance area, all of which are defined in article 3 of Circular 2/2020. Each user will have a single balancing portfolio for each balancing area (PVB, TVB, AVB) in which it decides to operate.

The user will be responsible for its contracting, scheduling and nomination processes and for its balancing position in each of the balancing areas in which it operates.

Two. Scope of application.

This Contract is applicable to the user and to the Technical Manager of the System in the balancing areas in PVB, TVB and AVB of the Spanish gas system.

Three. Accession document.

This contract will be signed by the user and the technical manager of the system by means of the electronic signature of the accession document that appears in Annex V of the Resolution of the National Commission on Markets and Competition by which the procedure of authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract of balancing portfolio is approved.

Four. Effective date.

4.1 The Contract will enter into force at 6 a.m. on the day after signing the respective accession document.

4.2 The initial term of this Contract will be one (1) year, and it may be tacitly extended for successive annual periods unless one party notifies the other of its wish to terminate the contract one (1) month before the contract termination date or the expiry of any of its extended periods.

Five. Authorisation procedure.

Users must follow the procedure for authorisation and cancellation of the balancing portfolio approved by the Resolution of the CNMC, pursuant to the terms of article 5 of Circular 2/2020.

Six. Definitions and interpretation.

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The terms used in this contract that are not expressly defined herein will have the meaning and must be interpreted in accordance with Regulation (EU) 312/2014, Circular 2/2020 and the regulations governing the technical management of the system.

Seven: Grouping of users' balancing portfolios.

7.1 Users may group their balancing portfolios into a single balancing area under article 3.1 of Circular 2/2020. This grouping will have effect exclusively for the settlement of the imbalances of the grouped users and, if applicable, of the balancing actions of standardised products of the technical manager of the system in the PVB, or of the management of the users' imbalances in TVB and/or AVB by the technical management of the system, as well as for calculation of the level of imbalance risk.

7.2 Each individual user may belong to only one grouping in each balancing area.

7.3 For each balancing area in which they wish to be grouped, all users belonging to a user group must sign the declaration set out as Annex IV to the Resolution of the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of users from the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio, in which one of them must be designated as the group's managing user. In the case of the entry and exit of new users in an already formed group, the above-mentioned declaration may be signed exclusively by the group's manager, provided that it is accompanied by a certified copy of the power of attorney authorising it to complete the declaration on behalf of the other users of the group.

7.4 For the purposes of calculating the risk level and the settlements for imbalances of a user group in each balancing area, the individual imbalances of all users in the group are added together, thus offsetting any counterbalances that the group members may have individually.

The level of risk of unbalancing a group will be calculated by the technical manager of the system for the group as a whole, in accordance with article 26 of Circular 2/2020.

Notwithstanding the above, for the purposes of the authorisation procedure, users who are part of a grouping in a balancing area must provide the guarantees required of them as individual (ungrouped) users. Once authorised, users may request the release of the guarantees corresponding to the balancing areas in which they are grouped, once settlement of the previous final imbalances has been paid as an individual user.

The net imbalance for the grouping in each of the balancing areas will be settled by the technical manager of the system in accordance with the methodologies referred to in clause 10 of this contract.

7.5 If the user managing the group does not have the guarantees corresponding to the level of risk of the grouping, the technical manager of the system will immediately terminate all the groupings in which that user is the managing user and recalculate the level of risk individually for each of the users of those groupings, who must provide those guarantees immediately.

7.6 The allocation to the grouping of users of the costs and revenues arising from management of the users' imbalances in the TVB and/or AVB balancing areas, as well as from the balancing actions of the technical manager of the gas title transfer system in PVB carried out, will be calculated with respect to the group's imbalance, in accordance with the methodologies referred to in Clause 10 of this contract.

7.7 Charging of the cost of the balancing actions by the technical manager of the system to the user group in transferring the local gas title of ownership in PVB

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will be calculated with respect to the sum of the gas inputs to the transmission network of the users included in the group.

7.8 Irrespective of any agreements that exist between group members, the managing user will have the following obligations and responsibilities:

a) Provide the necessary guarantees to cover the level of risk of imbalance of the grouping of which it is the managing user.

b) Assume the settlement corresponding to the grouping of the imbalances and, as appropriate, of the standardised product balancing actions of the Technical Manager of the System in the PVB and/or the management of the users' imbalances in TVB and/or AVB that is carried out. The settlement made to the user managing the grouping in a certain balancing area settles that of all the users forming part of the grouping in that balancing area.

c) Receive and pay all invoices issued as a consequence of settling the imbalances, standard product balancing actions by the Technical Manager of the System in the PVB and/or management of the users' imbalances in TVB and/or AVB.

d) Submit all claims considered appropriate with respect to the settlements of the imbalances to the grouping of users, as a consequence of the standard product balancing actions carried out by the Technical Manager of the System in PVB and/or management of the users' imbalances in TVB and/or AVB.

e) Receive and respond to all communications related to the settlement processes of imbalances and standard product balancing actions carried out by the technical manager of the system in PVB and/or from management of users' imbalances in TVB and AVB.

f) Communicate to the technical manager of the system any change that affects the composition and structure of the grouping, whether it is due to the request for the incorporation of new users, the removal of users that form the grouping, or the change of the user designated as the managing user. In all these cases, the managing user must send the technical manager of the system a new grouping declaration, included in Annex IV of the Resolution of the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of users from the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio, which will replace the previous one. The technical manager of the system will confirm the date from which the proposed changes will apply.

g) Inform the technical manager of the system if any of the users of the group enters into an insolvency situation or any relevant information that could affect the continuity or risk of the group.

7.9 The users forming the group will only have access to the information on their individual imbalances, with the exception of the managing user, who will have access to the imbalances of all the users belonging to the group.

7.10 Each group user may file claims regarding their own individual imbalances.

7.11 If, after the end of the period for payment of invoices and aggregate notes of the settlements of the provisional imbalances, as established in the "Annual calendar of PVB, TVB and AVB settlements. Payment and collection periods" available on the website of the technical manager of the system, the managing user has not paid the settlement billed by the technical manager of the system, the user group will be extinct from the last gas day to which the settlement refers. In the event of non-payment of the re-settlement corresponding to the provisional and final imbalances, and to the balancing actions of the technical manager of the system in the PVB and management of the users' imbalances in TVB and AVB, the user group will be extinct from the gas day on which the non-payment occurs.

Non binding unofficial translation

In addition, if the guarantees of the grouping are insufficient to cover the default, and the automatic request for individual guarantees is made, the technical manager of the system will bill the amount to cover the users individually in proportion to the absolute value of the users' imbalances.

In the event of a group that has been terminated, the technical manager of the system will calculate and bill each user of the pool individually for the imbalances and settlement of the technical manager of the system's standardised product balancing actions in the PVB and/or the users' imbalances in TVB and AVB that correspond to it, from the gas day on which the group is terminated, in accordance with the methodologies referred to in Clause 10 of this contract.

Users that had formed part of a group that no longer exists due to breach of the obligation to pay the settlement or re-settlement of charges for imbalances and/or standard product balancing actions carried out the technical manager of the system in the PVB or management of users' imbalances in TVB and in AVB cannot form part of another user group for one year from the date of default of the payment obligation.

7.12 In the event that one or more users of the grouping, other than the managing user, fail to comply with any of the aspects which, according to this contract, are a cause of restriction in the operation of the balancing portfolio with clause 15.1, the consequent restriction will affect the user or users who fail to comply individually, and the user or users of the grouping will be automatically removed from the grouping. In this case, the technical manager of the system will inform the managing user of the grouping of the restriction in the operation of the balancing portfolio of a user or users of the same grouping as soon as possible.

The users of the grouping must send the technical manager of the system a new updated declaration of user grouping, included in Annex IV of the Resolution of the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of users' balancing portfolios in the virtual balancing tank, the virtual balancing point, the virtual balancing storage and the framework contract for the balancing portfolio, without the grouping being considered as terminated at any time, and which will continue to comprise the original users without the user or users with a restricted balancing portfolio.

Once the causes that gave rise to the restriction in the operation of the portfolio have been overcome, the user, if it so wishes, may once again become part of the user grouping, for which purpose the users belonging to the grouping must send the corresponding updated user grouping declaration.

If the user affected by the restriction is the managing user, the grouping will be terminated, and the remaining members of the grouping, if they so wish, may submit a new declaration of user grouping by designating another managing user.

Eight. Notifications of transfers of gas ownership.

If the technical manager of the system receives a set of LNG or gas transfer and acquisition notifications and the notified amounts with respect to that transfer of ownership of the LNG or gas are not identical, the notifications will be rejected.

Nine. Gas balancing.

For each gas day, the technical manager of the system will calculate a balancing in each of the TVB, PVB and AVB balancing areas for the corresponding user's balancing portfolios, in accordance with Circular 2/2020 and the regulations governing technical management of the system.

Non binding unofficial translation

Ten. Settlements.

The settlement process of the different concepts related to the user's imbalances in each balancing area, as well as the neutrality of the technical manager of the system, will be carried out in accordance with the provisions of the corresponding resolution of the National Commission on Markets and Competition, which approves the methodology for calculating daily imbalance fees and the procedure for settling users' imbalances and the technical manager's balancing and imbalance management actions.

Eleven. Billing, management of payments received and made and the system for non-payments.

11.1 All matters relating to invoicing, the obligations of debtor users, the rights of creditor users and action in the event of non-payment will be carried out in accordance with the provisions of the corresponding resolution of the National Commission on Markets and Competition, which approves the methodology for calculating daily imbalance tariffs and the procedure for settling users' imbalances and the balancing and imbalance management actions of the technical manager of the system, as well as the provisions of this clause.

11.2 All invoices will be issued through an e-Billing system.

11.3 In the event of non-payment by the user of any aggregate note resulting from the settlement in relation to the balancing in PVB, TVB and/or AVB, the technical manager of the system will act in accordance with the following order of priority:

a) Enforcement of user guarantees: The technical manager of the system will ask the guarantees manager for the enforcement of user guarantees. The guarantees manager will credit the amount of the enforced amount to the bank account given by the technical manager of the system. The guarantees manager, on the advice of the technical manager of the system and if the level of risk of the user so requires, will ask the debtor to replenish the guarantees within the time limits set out in the prevailing regulations. If the enforcement of guarantees does not cover the full amount due, the technical manager of the system may ask the guarantees manager to enforce the user's unallocated and/or uncommitted guarantees included in the escrow account, which the guarantees manager must have retained in accordance with Article 24.3 of Circular 2/2020.

b) If the application of section a) is not sufficient to cover non-payment, and if the result of any other settlement by the user is a payment by the technical manager of the system in its favour, the technical manager of the system will deduct from that payment the amount due, regardless of whether the user's collection right originated in the balancing area where the non-payment exists.

c) If the application of sections a) and b) is not sufficient to cover the default, the technical manager of the system may request from trading platform operators and central counterparties the amounts retained by them in accordance with article 24.3 of Circular 2/2020. When the amount retained by trading platform operators and central counterparties exceeds the user's debt, the financial amounts retained will be reduced pro rata to the amount owed until the default is fully covered.

11.4 If the application of the measures set out in this clause should prove insufficient, the technical manager of the system will carry out all the actions within its reach to recover the unpaid amounts, in accordance with the provisions of article 16.10 of Circular 2/2020.

Non binding unofficial translation

Twelve. Financial guarantees for imbalances.

The provision and management of financial guarantees for imbalances will be executed in accordance with prevailing law.

Thirteen. Effectiveness of the contract.

This contract is a firm and fully binding commitment for the parties and will take effect as provided for in clause 4 thereof.

Fourteen. Liability.

14.1 Each party will be liable to the other for breach of the obligations assumed pursuant to this balancing portfolio framework contract, in accordance with the provisions hereof and with current law.

14.2 Notwithstanding the foregoing, and pursuant to the terms of clause 18 of the contract, neither party will be liable in the event of breach due to situations of force majeure or unforeseen circumstances.

Fifteen. Limitation in the operation of the balancing portfolio.

15.1 The following will be a reason for limiting the operation of the balancing portfolio:

a) Failure to provide new required guarantees, failure to comply with the requirement to replace guarantees and failure to maintain guarantee instruments, as established in articles 25.1.a), 24.2 and 25.1.b) respectively, of Circular 2/2020.

b) Breach of payment obligations to cover charges for imbalances by a user not covered by the guarantees provided by said user.

For these purposes, a user will be considered to be in default of payment of the imbalance charges if, after the payment period has expired, the debt has not been paid, as provided for in article 24.1 of Circular 2/2020. Such default will not be covered by the guarantees provided by the user if the enforcement of the measures provided for this purpose in clause 11.3 of this contract would not allow the entire debt to be collected.

c) Failure to provide information to the technical manager of the system, which has not been remedied within 3 working days of the technical manager of the system's request, where such failure could, in the view of the technical manager of the system, lead to errors or serious prejudice in the settlement process or in the billing of third parties or the gas system in general.

15.2 The limitation in the operation of the portfolio will be effective from the time the technical manager of the system has communicated it to the user through the SL-ATR trading platform.

Likewise, the technical manager of the system will inform the operators of the trading platforms, the trading platforms, the central counterparties and the service providers that perform transfer notification functions, the operators of the system's infrastructures, the guarantees manager and the users, of the limitation in the operation accordingly through the SL-ATR's trading platform and the updating of the list of users authorised to have a balancing portfolio on the technical manager of the system's website.

The technical manager of the system will also inform the National Commission on Markets and Competition and the Ministry for Ecological Transition and the Demographic Challenge.

Non binding unofficial translation

15.3 The restriction in the operation of a user's balancing portfolio, for any of the reasons set out in section 1 of this clause, will entail the restriction in the operation of its portfolios in all balancing areas.

15.4 Under all circumstances, the restriction on operating in the balancing portfolio will not release the user from its obligation to fulfil all outstanding payment obligations or any that could arise in the future, including obligations related to supplying its clients, due to its status as a user with a balancing portfolio, and all accrued interest.

15.5 Once the user informs the technical manager of the system that it has overcome the reasons that led to the restriction on operating in the balancing portfolio and the technical manager of the system has verified this within one day, the technical manager of the system will proceed to re-establish normal operation of the balancing portfolios of said user immediately. The re-establishment will be effective from the moment that the technical manager of the system has informed the user through the SL-ATR trading platform.

Likewise, the restoration will be communicated through the SL-ATR trading platform by the technical manager of the system to those subjects who were informed of the restriction on operating in the balancing portfolio and by updating the list of authorised users on its website.

Sixteen. Consequences of the restriction on operating in the balancing portfolio.

16.1 From the effective moment of the restriction on operating in the balancing portfolio, any nomination and renomination of the user's PVB, as well as TVB and AVB, for the current and successive gas days will be rejected until payment of the amounts due takes place, provided that this involves the exit of gas from the Spanish system or that the user remains with negative stocks in the balancing area with respect to the last published balancing.

Any new notification of transfer of ownership of LNG and gas involving a transfer or sale by the user will also be rejected, except for those already notified by the Organised Gas Market.

In addition, the technical manager of the system will withhold from the user the economic amounts that could correspond through possible positive imbalances of the user in the PVB, TVB and AVB balancing areas.

In addition, trading platform operators and central counterparties making transfer notifications will retain all economic amounts owed to the user in relation to their activities in the natural gas sector.

16.2 The financial amounts retained in accordance with the previous paragraph may be used, at the request of the technical manager of the system, to comply with the user's obligations regarding imbalance charges.

Seventeen. Cancellation and termination of the contract.

17.1 This contract will be terminated on the following grounds:

- a) By the parties, based on their mutual, express, written agreement.
- b) Three months having passed since the partial or total suspension of the user's access contract(s) without the reasons that gave rise to it having been overcome.
- c) Three months having passed since the restriction on operating in the balancing portfolio, if the reasons for the restriction have not been resolved.
- d) By voluntary cancellation of the user in all its balancing portfolios.
- e) At the option of either party, in the event of serious or repeated breach by the other party of the obligations assumed under this contract, and prior to the exercise of the power of termination, the party affected by the breach must request the breaching party to terminate the contract, granting it a period not exceeding ten days.

Non binding unofficial translation

On expiry of that term, if the non-compliant party has not remedied the breach or at least taken the necessary steps to do so if the full solution requires a longer term, the other party will be entitled to terminate the contract.

f) Due to the grounds for termination established in prevailing law.

g) As the result of a prolonged situation of force majeure event or unforeseen circumstance that persists for more than three months, as set out in the following Clause, when either party so wishes.

h) For the disqualification of the user to exercise its activity in the natural gas sector.

17.2 Voluntary cancellation will result in contract termination. However, the termination of the contract will not exempt the user from complying with the payment obligations and collection rights pending or arising in the future resulting from its status as a user with a balancing portfolio, including the interest accrued where applicable. The termination of the contract will prevent operation in all balancing areas.

Eighteen Force majeure and unforeseen circumstances.

18.1 None of the Parties will be liable to the others for breach of their contractual obligations if this is as a consequence of force majeure or an unforeseen circumstance, pursuant to the provisions of article 1105 of the Civil Code.

18.2 The party affected by a situation of force majeure or an unforeseen circumstance will inform the other party in writing as soon as possible, describing the event that has caused the situation of force majeure or the unforeseen circumstance, its nature, the circumstances in which it took place, the time that this situation is expected to last and the steps it intends to take to reduce the effects of the event on the obligations set out in this contract, if possible.

18.3 Each party will carry out its best endeavours to avoid or to mitigate the effects of a situation of force majeure or an unforeseen circumstance, and to ensure the normal continuation of this contract.

18.4 If a situation of force majeure or an unforeseen circumstance affecting the totality of the obligations of one of the parties in relation to this contract, or a substantial part of such obligations, continues uninterrupted for more than three months, either of the parties may request in writing the termination of this contract. The termination, if any, will not exempt the parties from fulfilling the obligations that arose prior to the situation of force majeure or unforeseen circumstance.

Nineteen. Confidentiality.

The parties will guarantee the secrecy of the confidential information made available to them. Such information may not be disclosed by either party to third parties without the prior written consent of the other party, for a period of two years from termination of the contract. The foregoing is without prejudice to the provisions of the regulations in force regarding the disclosure of information to be provided to administrative and judicial authorities and, in particular, to the Ministry for the Ecological Transition and Demographic Challenge, the Agency for the Cooperation of European Regulators, the European Commission, the authorities of other EU Member States, within the scope of their competences, and the National Commission on Markets and Competition.

Twenty. Protection of personal data.

Non binding unofficial translation

Personal data obtained by the parties during the performance of this contract will be those data strictly necessary for performance of the contract and may only be applied or used to fulfil the purpose of the contract. Such data will not be transferred or handed to third parties under any title, not even for custody purposes.

The Parties may exercise their rights to access, rectification, erasure and objection in accordance with the provisions of the regulations in force on the protection of personal data. The Parties will adopt the necessary technical and organisational measures, and in particular those established by Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) and by Organic Law 3/2018 of 5 December on the Protection of Personal Data and the Guarantee of Digital Rights, in order to guarantee the security of personal data and to avoid their alteration, loss, unauthorised processing or access, taking into account the state of the technology, the nature of the data supplied and the risks to which they are exposed.

Twenty-one. Good faith.

The parties agree to act at all times in accordance with the principle of good faith in relation to the implementation, interpretation, performance and termination of this contract, and to make every reasonable effort to permit its successful outcome and to defend their respective interests.

Twenty-two. Applicable law.

This entire contract will be governed by and interpreted in accordance with Spanish law and the pertinent provision of EU Law.

Twenty-three. Dispute resolution.

23.1 The National Commission on Markets and Competition is responsible for settling any disputes that could arise within the scope of this Agreement, pursuant to Article 12.1.b) of Law 3/2013 of 4 June, on the creation of the National Commission on Markets and Competition.

23.2 Any controversies, disagreements, complaints and differences that may arise with regard to the performance, interpretation or termination of this contract concerning discretionary matters contained in clauses 7, 14, 17 and 18 of this contract may be submitted to arbitration of the National Commission on Markets and Competition pursuant to the provisions set out in article 5.1.b of Law 3/2013, of 4 June, on the creation of the National Commission on Markets and Competition.

23.3 The arbitration procedure will be carried out in the Spanish language.

23.4 The arbitration process will take place in the city in which the National Commission on Markets and Competition has its headquarters.

23.5 The arbitration award issued by the National Commission on Markets and Competition will be final and binding on the parties. In this regard, both parties agree to accept and comply fully with the contents of the award that may be issued.

23.6 All matters not provided for in this Clause will be governed by the terms of Law 3/2013 of 4 June, on the creation of the National Commission on Markets and Competition and Royal Decree 657/2013 of 30 August, approving the Organic Statute of the National Commission on Markets and Competition, and in addition, by the provisions of Law 60/2003 of 23 December, on Arbitration.

23.7 For any incidents related to the arbitration process that require judicial intervention, the parties agree to submit to the jurisdiction of the Courts of Madrid.

Non binding unofficial translation

Twenty-four. Communications.

All communications will be made as indicated in the document of accession to this contract signed by the parties.

Twenty-five. Language.

The procedure for the authorisation and cancellation of the balancing portfolios, the framework contract for the balancing portfolio and the rest of the annexes approved by the Resolution of the National Commission on Markets and Competition approving the procedure for the authorisation and cancellation of the users' balancing portfolio in the virtual balancing tank, the virtual balancing point and the virtual balancing storage and the framework contract for the balancing portfolio will be in Spanish. However, the technical manager of the system will keep an English version of the aforementioned documents published and updated on its website. In the event of discrepancies, the Spanish version will prevail as legally binding, and the English version will be offered for information purposes.

Twenty-six. Calculation of periods.

The periods indicated in this contract will be calculated in accordance with the provisions of Law 39/2015 of 1 October, with the exception of the "gas day", defined in Circular 2/2020 of 9 January of the National Commission on Markets and Competition, which establishes the rules for natural gas balance.

ANNEX III

Power of attorney

Special power of attorney. (...)

Powers: (joint or several as appropriate).

1. Carry out the necessary formalities to obtain user authorisation for the company to access the Spanish gas system facilities and/or use or withdraw from the balancing portfolios it is interested in according to its operations in the system.

2. Digitally sign the contracts indicated in the foregoing power, for which purpose they are entitled to use any qualified electronic signature certificate issued by an entity recognised in the European Union.

Duration of the power of attorney:

Non binding unofficial translation

ANNEX IV

User balancing portfolio grouping statement

PARTIES TO THE AGREEMENT

, holder of National ID Card/Passport No.____, for and on behalf of _____, holder of Tax ID No. (N.I.F.) or equivalent number_ and registered office at_ , with powers that it expressly declares as valid, in force and sufficient for the signing of this document.

, holder of National ID Card/Passport No.____, for and on behalf of _____, holder of Tax ID No. (N.I.F.) or equivalent number_ and registered office at_ , with powers that it expressly declares as valid, in force and sufficient for the signing of this document. (1)

THEY STATE

One: That they have decided to group their balancing portfolios, pursuant to article 3 of Circular 2/2020, of 9 July, issued by the National Commission on Markets and Competition, establishing the natural gas balancing regulations (mark the corresponding option(s)):

Balancing portfolio in TVB balancing portfolio in PVB balancing portfolio in AVB

Two: That for the purpose of complying with the terms of clause 7 of the framework contract for balancing portfolio approved through the Resolution of the National Commission on Markets and Competition dated 9 June 2020, they have agreed to appoint as the group's managing user:

(2)

Three: That the group's managing user and each of the group members expressly assume the content and the legal effects of clause 7 entitled "Grouping of users' balancing portfolio" of the balancing portfolio framework contract and they agree to comply with the same.

Non binding unofficial translation

Four: That the group's managing user will immediately inform the technical manager of the system of any change in relation to the data included in this declaration.

[ddmmyyyy]

Signed: (The signatures of the legal representatives of all the group's members must be appended).

(1) The details of all the group members will be entered, and a copy of the notarised powers of each representative will be attached.

(2) The group's managing user must be one of its members.

(3) The signature of the attorneys-in-fact of all the members of the group will not be necessary to register/deregister a user in an already formed group. Only the signature of the managing user will be valid, provided that a certified copy of the power of attorney authorising the managing user to complete this declaration on behalf of the rest of the users of the group is attached.

Non binding unofficial translation

ANNEX V:

Document of accession to the framework contract for authorisation of the balancing portfolio

Madrid, [ddmmyyyy]

PARTIES TO THE AGREEMENT

Party of the first part, ENAGÁS GTS, S.A.U., as technical manager of the gas system (hereinafter “technical manager of the system”), with registered office at Paseo de los Olmos nº 19, 28005 Madrid, and holder of Tax ID No. A-86484292, registered with the Mercantile Registry of Madrid, in Volume 30118, Folio 1, Section 8, Sheet M-542142, represented in this act by by virtue of the power of attorney granted in the presence of the notary public of [place], [name of notary], on [ddmmyyyy], under his record number....

And party of the second part, USER... , with registered office at and holder of Tax ID No.-....., registered with the Mercantile Registry of Madrid, in Volume, Folio, Sheet No. ... , represented in this act by, pursuant to the deed granted in the presence of the notary public of [place], [name of notary], on [ddmmyyyy], under his record no. ...

RECITALS

In accordance with article 5 of the National Commission on Markets and Competition's Circular 2/2020, of 9 January, establishing the natural gas balancing regulations, to hold a balancing portfolio in any of the balancing areas and be able to notify LNG and/or gas transactions, the user must sign a balancing portfolio framework contract. Therefore, as established in clause three of the framework contract approved through the Resolution of the National Commission on Markets and Competition on [ddmmyyyy], the Parties have decided to sign this framework contract accession document, subject to the following

CLAUSES

1. PURPOSE

The purpose of this document is to enable the user to adhere to the balancing portfolio framework contract and the acceptance thereof by the technical manager of the system in order to have (mark the appropriate options):

Non binding unofficial translation

- Balancing portfolio in TVB
- balancing portfolio in PVB
- balancing portfolio in AVB

2. FRAMEWORK CONTRACT ACCEPTANCE AND ACCESSION

The User declares that it is aware of and freely, unconditionally and irrevocably accepts the terms and conditions established in the framework contract, approved through the Resolution of the National Commission on Markets and Competition on [ddmmyyy], and that it undertakes to comply with these unreservedly and unconditionally and with no restrictions.

In particular, and without prejudice to any other obligations that could correspond to the user pursuant to the provisions of applicable legislation, the user expressly declares that it is aware of and agrees to fulfil the clauses set out in the balancing portfolio framework contract, the obligations established regarding the financial guarantees for imbalances, the settlement, billing, collection and payment processes of items related to the balancing portfolio and the respective administrative and tax obligations arising from its operations in the TVB, PVB and AVB balancing areas.

By signing this document, the technical manager of the system expressly accepts the accession of the user to the foregoing balancing portfolio framework contract.

3. COMMUNICATIONS

Communications between the parties regarding the balancing portfolio framework contract will be made through the Third Party Access Logistics System (SL-ATR).

In exceptional cases and on justified grounds, communications between the parties will be given through other means and will be deemed duly issued if it can be proved they were sent in person or by post, fax, registered fax (burofax) or email to the following addresses:

ENAGAS GTS, S.A.U.

Paseo de los Olmos, 19 28005 Madrid - Spain

For the attention of.....

Email:.....

.....

<USER>.....

<User's
Address>.....

.....

<Postcode City - Country>.....

Non binding unofficial translation

For the attention of:

Email:.....

.....

...

If applicable, <SERVICE PROVIDER>....

<Address of Service
Provider>.....

.....

<Postcode City - Country>.....

For the attention of:

Email:.....

.....

...

Any change to the above details will be notified to the other Party in writing and immediately, in the manner set out herein.

In Madrid, [ddmmyyyy]

The user

ENAGÁS GTS, S.A.U.