TRANSMISSION CONTRACT ON GRTGAZ NETWORK

APPENDIX A1
DEFINITIONS

The English translation for information.

Disclaimer

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The following terms shall have the following meanings. The singular shall include the plural and vice versa. Any reference to times shall be statutory French time.

**Affiliated Company**: a company under the control of a Party, or controlling the said Party and under the control of the same company as the said Party in the meaning given to these terms by Articles L233-f of the French Commercial Code.

**Affiliated Shipper**: any shipper under the control of the said Shipper, any shipper controlling the said Shipper and any Shipper under the control of the same company as the said Shipper, in the meaning given to these terms by Articles L233-1 to L233-4 of the French Commercial Code.

**Allocated Capacity**: maximum quantity of energy, expressed in MWh (GCV) per day or in MWh (GCV) per hour, allocated to the Shipper by GRTgaz following a request for capacity Reservation.

**Allocated Part of the Daily Exit Capacity on the Main Network**: part of the Daily Exit Capacity on the Main Network for the given Exit Zone, expressed in MWh (GCV) per day, and equal to the sum of annually allocated Firm Daily Delivery Capacity relating to the Transport Distribution Interface Points associated with the said Exit Zone.

**Allocation Difference Account**: virtual point where the Shipper may deliver quantities of Gas to GRTgaz, or receive Gas delivered by GRTgaz, in order to have an influence on the Level of the Allocation Difference Account. An Allocation Difference Account is associated with a Balancing Zone.

**Annual Band**: quantity of energy, expressed in MWh/d (GCV) that remains constant over a period of twelve (12) consecutive months.

**Auction**: a specific last moment sale mechanism put in place by GRTgaz and for daily subscription by the Shipper of Daily Entry Capacity at a Network Interconnection Point or Daily Exit Capacity at a Network Interconnection Point or Daily Link Capacity.

**Authorised Negative Cumulative Imbalance (referred to as EBCNA)**: Cumulative Imbalance threshold as defined in Sub-clause “Authorised Cumulative Imbalance” of Section D2.

**Authorised Negative Daily Imbalance (referred to as EBJNA)**: Daily Imbalance threshold as defined in Sub-clause “Authorised Daily Imbalance” of Section D2.

**Authorised Positive Cumulative Imbalance (referred to as EBCPA)**: Cumulative Imbalance threshold as defined in Sub-clause “Authorised Cumulative Imbalance” of Section D2.

**Authorised Positive Daily Imbalance (referred to as EBJPA)**: Daily Imbalance threshold as defined in Sub-clause “Authorised Daily Imbalance” of Section D2.

**Auxiliary Service**: conversion services and PEG access as defined in Clause “Capacity and Auxiliary Services” of Section A.

**Available Technical Capacity**: total capacity made available by GRTgaz at a given point on a given Day. This capacity determines the Shippers’ Operational Capacity.
**B**

**Backhaul Capacity:** Daily Entry Capacity and Daily Exit Capacity at the Network Interconnection Point as defined in Sub-clause “Backhaul Capacity” of Section B.

**Bundled Capacity:** corresponding entry and exit capacity at both sides of a Network Interconnection Point.

**H-gas Balancing Section:** first of the two sub-zones resulting from the partition of the Balancing Zone North and within which the Shipper shall ensure a balance and including the points related to the transmission of Gas in accordance with the specifications of H-Gas as defined in Appendix A4 to Section A.

**L-gas Balancing Section:** second of the two sub-zones resulting from the partition of the Balancing Zone North and within which the Shipper shall ensure a balance and including the points related to the transmission of Gas in accordance with the specifications of L-Gas as defined in Appendix A4 to Section A.

**Balancing Zone:** group of Entry Points, Delivery Points and a Title Transfer Point on which the Shipper shall ensure balancing. There are two Balancing Zones: Balancing Zone North and Balancing Zone South. The Balancing Zone Nord is divided into the H and L Balancing Sections. Throughout the Contract, any provision concerning to the Balancing Zone Nord applies expressly to the H-gas Balancing Section and to the L-gas Balancing Section considered separately.

**Base Service:** H-gas to L-gas quality conversion service as defined in Sub-clauses “Base Service” and “Marketing of quality conversion services” of Section B.

**C**

**Calculation Basis of Balancing Tolerances:** quantity of energy, expressed in MWh/d (GCV) per day, as defined in Sub-clause “Calculation Basis of Balancing Tolerances” of Section D2.

**Capacity Platform Services Agreement (CPSA):** contract which defines the conditions of access to the capsquare Platform and is binding upon the company operating the capsquare Platform, and the shipper wishing to use it. This contract is published on GRTgaz’s public website.

**capsquare Platform:** electronic tool through which the Shipper can sell or acquire capacity to or from another shipper in accordance with Clauses “Transfer of capacity right-of-use” and “Assignment of annual capacity” of Section B and capacity booking platform through which the Shipper may subscribe capacities on the Upstream Network for Bundled Capacities. Capsquare platform use is subject to the signature of a CPSA.

**Clearing Party:** a company underwriting transactions that take place on a Gas Exchange. The Clearing Party plays a central and independent role within the marketplace. It provides protection against default through a margin system and a default fund, and anonymity for the buyers and sellers. The Clearing Party notifies to GRTgaz the Daily Quantities Requested corresponding to the delivery schedules arising from the transactions.

**Closing of a Consumer Delivery Point (Closing):** operation consisting in durably preventing the delivery of a Gas flow at the said Consumer Delivery Point.

**Computed Standardised Capacity at a PDL “without subscription”:** peak daily consumption of the PDL “without subscription”, multiplied by a realignment coefficient A defined by the tariffs for the use of...

**Connection Contract**: contract between GRTgaz and the Recipient, referred to in Sub-clause “Connection Pipes and Delivery Stations” of Section C.

**Connection Pipes**: transmission structure providing the link between the structures belonging to the Network and a Delivery Station, and intended exclusively or mainly to supply the Recipient. The Connection Pipes are part of the Network.

**Consumer Delivery Point**: Delivery Point where the Recipient represents a consumer connected to the Network. Except where expressly stated otherwise, a Consumer Delivery Point is situated at the downstream flange of a Delivery Station. A Consumer Delivery Point is associated with a single Exit Zone.

**Contract**: The transmission contract between the Parties, the scope of which is defined in Clause 1 of the Contract.

**Conversion Point**: generic term for one of the following points:

- **H-to-L Conversion Point – Base Service – H**: virtual Delivery Point associated with H-gas Balancing Section of the Balancing Zone North.
- **H-to-L Conversion Point – Base Service – L**: virtual Entry Point associated with the L-gas Balancing Section of the Balancing Zone North.
- **H-to-L Conversion Point – Peak Service – H**: virtual Delivery Point associated with the H-gas Balancing Section of the Balancing Zone North.
- **H-to-L Conversion Point – Peak Service – L**: virtual Entry Point associated with the L-gas Balancing Section of the Balancing Zone North.

**Cumulative Daily Imbalance**: quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Authorised Cumulative Imbalance” of Section D2.

**Cumulative Daily Imbalance Mid-Range**: parameter ranging from zero (0) to one (1), intended to introduce a market price in the settlement of the shippers’ imbalances. The coefficient in force for each Balancing Zone is published on GRTgaz public website www.grtgaz.com and is generally updated twice a year.

**Cumulative Imbalance (referred to as EBC)**: quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Cumulative Imbalance and Allocation Difference Account” of Section D2.

**Cumulative Imbalance Deficit (referred to as DEBC)**: quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Calculating the Excesses and Deficits of the Cumulative Imbalance” of Section D2.

**Cumulative Imbalance Excess (referred to as EXBC)**: quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

**Daily Capacity**: generic term for all or part of the following types of capacity:
Daily Delivery Capacity: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver each Day at a given Delivery Point pursuant to the Contract, as defined in Appendix 2 to the Contract. This Capacity concerns only Consumer Delivery Points, Regional Network Interconnection Points and Transport Distribution Interface Points.

Daily Entry Capacity at a Network Interconnection Point: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to take off each Day at a given Network Interconnection Point pursuant to the Contract, as defined in Appendix 2 to the Contract.

Daily Entry Capacity at a Transport LNG Terminal Interface Point: portion of the regasification capacity subscribed to the LNG terminal Operator, expressed in MWh (GCV) per day, as defined in Appendix 2 to the Contract.

Daily Entry Capacity at a Transport Production Interface Point: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to take off each Day at a given Transport Production Interface Point pursuant to the Contract, as defined in Appendix 2 to the Contract.

Daily Entry Capacity at a Transport Storage Interface Point: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to take off each Day at a given Transport Storage Interface Point pursuant to the Contract, as defined in Appendix 2 to the Contract.

Daily Exit Capacity at a Network Interconnection Point: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver each Day at a given Network Interconnection Point pursuant to the Contract, as defined in Appendix 2 to the Contract.

Daily Exit Capacity at a Transport Storage Interface Point: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver each Day at a given Transport Storage Interface Point pursuant to the Contract, as defined in Appendix 2 to the Contract.

Daily Exit Capacity on the Main Network: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver each Day at all the Delivery Points associated with a given Exit Zone, pursuant to the Contract. The Daily Exit Capacity on the Main Network shall be equal to the sum of the Subscribed Part of the Daily Exit Capacity on the Main Network and of the Allocated Part of the Daily Exit Capacity on the Main Network.

Daily Link Capacity: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to carry out transmission each Day on a Link between two Balancing Zones.

Daily Quality Conversion Capacity from H-gas to L-gas – Base Service: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver to the H-to-L Conversion Point – Base Service – H, and to take off simultaneously at the H-to-L Conversion Point – Base Service – L, as defined in Appendix 2 to the Contract.

Daily Quality Conversion Capacity from H-gas to L-gas – Peak Service: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver to the H-to-L Conversion Point – Peak Service – H, and to take off simultaneously at the H-to-L Conversion Point – Peak Service – L, as defined in Appendix 2 to the Contract.

Daily Quality Conversion Capacity from L-gas to H-gas: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to deliver to the L-to-H Conversion Point – L, and to take off simultaneously at the L-to-H Conversion Point – H, as defined in Appendix 2 to the Contract.

Daily Transmission Capacity on the Regional Network: maximum quantity of energy, expressed in MWh (GCV) per day, which GRTgaz undertakes to carry out transmission on the regional transmission network for a given Delivery Point pursuant to the Contract, as defined in Appendix 2 to the Contract.
Daily Capacity Overrun: quantity of energy, expressed in MWh (GCV). For each Daily Delivery Capacity at a Consumer Delivery Point or at a Regional Network Interconnection Point specified in the Appendix 2, the difference, if positive, between the Daily Quantity Delivered on any Day and the corresponding Daily Delivery Capacity, shall constitute an Excess of Daily Delivery Capacity. The calculation rules of overruns are defined in Sub-clause “Price Supplement linked to a Daily Capacity Overrun” of Section C.

Daily Imbalance (referred to as EBJ): quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Daily Imbalance” of Section D2.

Daily Imbalance Deficit (referred to as DEBJ): quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

Daily Imbalance Excess (referred to as EXBJ): quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

Daily Quantity: generic term for all or part of the following daily quantities:

Daily Exit Quantity on the Main Network: quantity of energy, expressed in MWh (GCV), which GRTgaz has delivered on a given Day to all of the Delivery Points associated with a given Exit Zone; this quantity is determined in accordance with the provisions of Sub-clause “Determining Daily Proximity Quantities” of Section C.

Daily Proximity Quantity: quantity of energy, expressed in MWh (GCV); this quantity is determined in accordance with the provisions of Clause “Determination of quantities” of Section B.

Daily Quantity Converted from H-gas to L-gas – Base Service: quantity of energy, expressed in MWh (GCV) simultaneously delivered to the H-to-L Conversion Point – Base Service – H and taken off at H-to-L Conversion Point – Base Service – L; this quantity is determined in accordance with the provisions of Clause “Particular situation of Daily Quantities converted from H-gas to L-gas under the Base Service” of Section B.

Daily Quantity Converted from H-gas to L-gas – Peak Service: quantity of energy, expressed in MWh (GCV) simultaneously delivered to the H-to-L Conversion Point – Peak Service – H and taken off at H-to-L Conversion Point – Peak Service – L; this quantity is determined in accordance with the provisions of Clause “Determination of quantities” of Section B.

Daily Quantity Converted from L-gas to H-gas: quantity of energy, expressed in MWh (GCV) simultaneously delivered to the L-to-H Conversion Point L and taken off at the L-to-H Conversion Point H; this quantity is determined in accordance with the provisions of Clause “Determination of quantities” of Section B.

Daily Quantity Delivered (Hourly Quantity Delivered): quantity of energy, expressed in MWh (GCV), which GRTgaz has delivered on a given Day (in a given Hour) at a given Delivery Point or a given Title Transfer Point or a given Allocation Difference Account pursuant to the Contract; this quantity is determined in accordance with the provisions of Clause “Determination of quantities” of Section C.

Daily Quantity Scheduled: quantity of energy, expressed in MWh (GCV), as defined in Appendix D1.1 to Section D1 and to Appendix D2.1 to Section D2.
Daily Quantity Taken Off: quantity of energy, expressed in MWh (GCV), taken off by GRTgaz on a given Day at a given Entry Point or a given Title Transfer Point or a given Allocation Difference Account, pursuant to the contract. This quantity is determined in accordance with the provisions of Clauses “Determination of quantities” of Sections B and C, and of Sub-clause “Allocation Difference Account” of Section D2.

Daily Quantity Transmitted: quantity of energy, expressed in MWh (GCV), considered to be transmitted on a given Day on a Link, or on the regional Network to a given Delivery Point, pursuant to the terms of the Contract; this quantity is determined in accordance with the provisions of Clause “Determination of quantities” of Sections B and C.

Day: period of twenty-three (23), twenty-four (24) or twenty-five (25) consecutive Hours, starting at six a.m. (06:00) on a given day and ending at six a.m. (06:00) the next day. The date of the Day is the date when the Day begins.

Day of Endowment to the Allocation Difference Account: one of the Days of each Month, as defined in Sub-clause “Allocation Difference Account” of Section D2.

Delivery Point: point where GRTgaz delivers to a Recipient all or part of the Gas pursuant to of the Contract, as defined in the Appendix 2 to the Contract. A Delivery Point is associated with a single Balancing Zone. A Delivery Point is a Consumer Delivery Point or a Regional Network Interconnection Point or a Transport Distribution Interface Points or a Network Interconnection Point or a Transport Storage Interface Point or the H-to-L Conversion Point – Base Service – H, or the H-to-L Conversion Point – Peak Service – H, or the L-to-H Conversion Point – L, as the case may be.

Delivery Station: installation situated at the extremity of the downstream end of the Network, generally providing the functions of pressure reduction and regulation and of metering of the Gas delivered to a Recipient. A Delivery Station is part of the Network.

Documentation: means any documentation necessary and/or relating to the execution of the Contract, and sent by GRTgaz

Downstream Network: part of GRTgaz’s Network made up of the following contractual points:
- Consumer Delivery Points,
- Regional Network Interconnection Points,
- Transport Distribution Interface Points,
- Exit Zones,

Downstream Operator: Operator responsible for the operation of Downstream Structures.

Downstream Structures: structures which do not belong to the Network but which are connected to the Network at a Delivery Point.

Effective Temperature of a Day D: weighted average of the daily average temperatures measured in Days D-2, D-1 and D, expressed in degrees Celsius (°C). The weighting coefficients are, respectively, zero point twelve (0.12), zero point twenty-four (0.24) and zero point sixty-four (0.64).

Endowment to the Allocation Difference Account: quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Allocation Difference Account” of Section D2.

Energy Content: quantity of energy, expressed in MWh (GCV), contained in a given quantity of natural Gas.
Energy Regulatory Commission (Commission de Régulation de l'Energie CRE): the national regulatory authority responsible for regulating the gas market in France by virtue of the French Energy Code, with regard to gas, electricity markets and public energy services.

Entry Point: point where the Shipper provides GRTgaz with all or part of the Gas pursuant to of the Contract, as defined in Appendix 2 to the Contract. An Entry Point is associated with a single Balancing Zone. An Entry Point is a Network Interconnection Point or a Transport Production Interface Point or a Transport Storage Interface Point or a Transport LNG Terminal Interface Point or the H-to-L Conversion Point – Base Service – L, or the H-to-L Conversion Point – Peak Service – L, or the L-to-H Conversion Point – H, as the case may be.

Exit Zone: group of Consumer Delivery Points, Regional Network Interconnection Points and Transport Distribution Interface Points for which a Daily Exit Capacity on the Main Network is specified. All these items are specified in Appendix 2 to the Contract. An Exit Zone is associated with a single Balancing Zone.

Extra Monthly Allocation of Daily Entry Capacity at a Transport LNG Terminal Interface Point: quantity of energy, expressed in MWh (GCV) per day, as defined in Clause “Price Supplement at Transport LNG Terminal Interface Points” of Section B.

Firm Capacity: capacity which GRTgaz contractually guarantees in normal operating conditions, in particular excluding maintenance works or force majeure events.

Firm Reduction Factor (TR.f): coefficient used to determine the reduction in the firm portion of Operational Capacity. The Interruptible Reduction Factor is equal to zero (TR.f = 0) when the Available Technical Capacity is equal to or higher than the sum of the Firm Capacity subscribed by the Shippers. In any other case, TR.f is equal to the ratio between the sum of the Firm Capacity subscribed by the Shippers, minus the Available Technical Capacity, and the sum of the Firm Capacity subscribed by the Shippers. The firm portion of Operational Capacity is then multiplied by one (1) minus TR.f.

Firm Rights: Firm Capacity subscribed by the Shipper on an annual, monthly, or daily basis, plus the rights-of-use acquired, with deduction of the rights-of-use transferred.

Forward Direction: flow direction of the Network Interconnection Points as defined in Sub-clause “Short-Term Use-It-Or-Lose-It capacity” of Section B.

G

Gas: natural gas subject matter of the transmission services under the Contract.

Gas Exchange: a multilateral, cleared exchange platform where participants can trade spot products on the natural gas market.

Gas Exchange Trading Participant Agreement: agreement, appendix 3 of the Contract, in which the Shipper’s request to take part in a Gas Exchange is recorded; it specifies the identity of the Gas Exchange, the identity of the Clearing Party and the list of the Title Transfer Points (PEGs) the Shipper intends to use within the perimeter of the Gas Exchange in question;
**GCV**: see Gross Calorific Value

**Gradient of the Allocation Difference Account**: maximum quantity of energy, expressed in MWh/d (GCV 25°C), as defined in Sub-clause “Allocation Difference Account” of Section D2.

**Gross Calorific Value (GCV)**: quantity of heat, expressed in kWh, which would be generated by the complete combustion in air of one m³(n) of dry Gas at a constant pressure equal to one point zero one thousand three hundred and twenty-five (1.01325) bar, with the Gas and air being at an initial temperature of zero (0) degrees Celsius, all the combustion products being brought down to zero (0) degrees Celsius, the water vapor formed during combustion being returned to a liquid state, and all other products being in a gaseous state.

**Gross Calorific Value at 25 degree Celsius (GCV 25°C)**: quantity of heat, expressed in kWh, which would be generated by the complete combustion in air of one m³(n) of dry Gas at a constant pressure equal to one point zero one thousand three hundred and twenty-five (1.01325) bar, with the Gas and air being at an initial temperature of twenty-five (25) degrees Celsius, all the combustion products being brought down to twenty-five (25) degrees Celsius, the water vapour formed during combustion being returned to a liquid state, and all other products being in a gaseous state.

**Guarantee**: guarantee provided by the Shipper to GRTgaz as defined in Sub-clause “Payment Guarantee” of the Section A.

**H**

**Hour**: period of 60 (sixty) consecutive minutes beginning and ending at a precise time.

**Hourly Capacity Overrun**: quantity of energy, expressed in MWh (GCV) as defined in Sub-clause “Price Supplement linked to an Hourly Capacity Overrun” of Section C.

**Hourly Delivery Capacity or Hourly Capacity**: maximum quantity of energy, expressed in MWh (GCV) per hour, which GRTgaz undertakes to deliver every Hour to the relevant Delivery Point pursuant to the Contract, as defined in Appendix 2 to the Contract. This Capacity concerns Consumer Delivery Points only.

**I**

**Initial Operational Capacity**: sum of the Firm and Interruptible Daily Capacity subscribed by the Shipper on a given point on an annual, monthly, or daily basis, plus the rights-of-use acquired, with deduction of the rights-of-use transferred, and taking into account the Firm and Interruptible Reduction Factors for the Day in question.

**Interconnection Agreement**: contract between GRTgaz and the Recipient, referred to in Clause “Stipulations regarding interconnection systems” of Section B and Sub-clause “Interconnection systems” of Section C.

**Interruptible Capacity**: capacity not guaranteed by GRTgaz as to its use. For information purpose, the main factors affecting the availability of Interruptible Capacity are as follows:
- Level of consumption, which greatly depends on temperature
- Network configuration, which includes the functioning of underground storage facilities.
**Interruptible Reduction Factor (TR.i):** coefficient used to determine the reduction in the interruptible portion of Operational Capacity. The Interruptible Reduction Factor is equal to zero ($TR.i = 0$) when the Available Technical Capacity is equal to or higher than the sum of the Firm and Interruptible Capacity subscribed by the Shippers. The Interruptible Reduction Factor is equal to one ($TR.i = 1$) when the Available Technical Capacity is equal to or lower than the sum of the Firm Capacity subscribed by the Shippers. In any other case, $TR.i$ is equal to the ratio between the sum of the Firm and Interruptible Capacity subscribed by the Shippers, minus the Available Technical Capacity, and the sum of the Interruptible Capacity subscribed by the Shippers.

The interruptible portion of Operational Capacity is then multiplied by one (1) minus $TR.i$.

**Interruptible Rights:** Interruptible Capacity subscribed by the Shipper on an annual basis.

**IT system:** information system consisting of the private customer website provided by GRTgaz, named TRANS@ctions, and data exchanges in Edigas format.

**Joint Declaration:** declaration made by the Shipper via TRANS@ctions, which summarised all Transport Distribution Interface Points where the Shipper is likely to make Gas available to another shipper present on the distribution system. The distribution transmission contract code(s) shall be specified for each relevant Transport Distribution Interface Point.

**Level of the Allocation Difference Account:** quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Allocation Difference Account” of Section D2.

**Limit Temperature:** Effective Temperature of the cold peak Day D such as statistically occurs every ten years. Its value is defined, per Balancing Zone, as follows:

The Limit Temperature is equal to:

-6.6°C for the Balancing Zone North – H-gas Balancing Section,
-8.8°C for the Balancing Zone North – L-gas Balancing Section, 
-7.8°C for the Balancing Zone South.

**Link:** an oriented pair of Balancing Zones, to which Price elements are associated, and on which a Daily Link Capacity is defined; all these elements are specified in Appendix 2 to the Contract.

**Long-Term Use-It-Or-Lose-It (Long-Term UIOLI):** procedure by which unused subscribed capacity is reallocated. The Long-Term Use-It-Or-Lose-It procedure applies to the Network Interconnection Points and to the Links.

**L-to-H Conversion Point – H:** virtual Entry Point associated with the H-gas Balancing Section of the Balancing Zone North.

**L-to-H Conversion Point – L:** virtual Delivery Point associated with L-gas Balancing Section of the Balancing Zone North.
**Main Physical Flow:** Gas flow into the Network or Gas flow out of the Network as defined in Sub-clause “Backhaul Capacity” of Section B.

**Maximum Negative Daily Cumulative Imbalance (referred to as EBJNMC):** Daily Imbalance threshold as defined in Sub-clause “Maximum Cumulative Daily Imbalance” of Section D2.

**Maximum Positive Daily Cumulative Imbalance (referred to as EBPMC):** Daily Imbalance threshold as defined in Sub-clause “Maximum Cumulative Daily Imbalance” of Section D2.

**Measuring Device:** all the measuring and calculation equipment located either at a Delivery Station or at any other point on the Network, or remote transmission equipment, or calculation systems or procedures, used by GRTgaz to determine the quantities of natural Gas taken off at an Entry Point or delivered at a Delivery Point, along with their characteristics and Energy Content.

**Month:** period starting at six a.m. (06:00) on the first day of a given calendar month and ending at six a.m. (06:00) on the first day of the next calendar month.

**Negative Daily Non-Cumulative Imbalance (referred to as ENCNBJ):** quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

**Network:** set of structures, facilities and systems operated by GRTgaz or under its responsibility, consisting particular of pipelines, compressor stations, measuring facilities, pressure reduction equipment, block-valve equipment, transmission systems, computer systems, etc. used by GRTgaz to perform the services under this Contract.

**Network Interconnection Point (PIR):** Delivery Point where the Recipient is the Operator of the downstream transmission network. A Network Interconnection Point may also be an Entry Point.

**Network Interconnection Point Midi (PIR Midi):** Network Interconnection Point where TIGF is the operator of the adjacent network.

**Network User:** any person who delivers natural Gas to GRTgaz at any point whatsoever of the Network, or who receives Gas delivered by GRTgaz at any point whatsoever of the Network.

**Nomination:** quantity of energy expressed in kWh (GCV 25°C), notified to GRTgaz by the Shipper each Day, that the Shipper asks GRTgaz to take off, carry out transmission or deliver. By extension, the verb “Nominate”, in whatever form it may appear, refers to a Shipper notifying a Nomination to GRTgaz.

**Non-Working Day:** Saturday or Sunday or any public holiday in Paris area in France.

**Normal Cubic Metre or m³(n):** quantity of natural Gas which, at 0 (zero) degrees Celsius, at an absolute pressure of 1.01325 bar, and free of water vapour, occupies a volume of one cubic meter.

**Notification of Force Majeure for GRTgaz:** notification made by the Shipper to GRTgaz in accordance with Sub-clause “Force Majeure for GRTgaz” of Section A.

**Notification of Force Majeure for the Shipper:** notification made by the Shipper to GRTgaz in accordance with Sub-clause “Force Majeure for the Shipper” of Section A.
Open Subscription Period (OSP): period to collect capacity reservation requests, as defined in Section B.

Operational capacity: Initial Operational Capacity plus the capacity allocated on a Short-Term Use-It-Or-Lose-It basis or minus the capacity acquired on a Short-Term Use-It-Or-Lose-It basis by the other Shippers.

Operational Instruction: instruction given by GRTgaz to the Shipper in respect of the performance of the Contract, as referred to in Sub-clause “Safety and Operational Instructions” of Section A.

Operator: individual or legal entity responsible for the operation of given infrastructures.

Optional Balancing Tolerance (TOE): component of the Authorised Positive Daily Imbalance and of the Authorised Negative Daily Imbalance that is subject to a tariff. Its value is determined in Sub-clause “Optional Balancing Tolerance” of Section D2.

Optional Balancing Tolerance Option: percentage, included between zero (0) and three per cent (3%), with one significant decimal, allowing to calculate the Optional Balancing Tolerance in accordance with Sub-clause “Optional Balancing Tolerance” of Section D2. Its value is set out in Appendix 2 to the Contract.

OTC Transaction: transfer of rights-of-use or assignment of capacity (“full transfer”) concluded “over the counter” between two shippers which are members of the capsquare Platform, and registered with the said platform, as defined in the Capacity Platform Services Agreement

Party: a Party to the Contract.

PDL: generic term for a delivery point located on a natural gas distribution network.


Peak Service: H-gas to L-gas quality conversion service as defined in Sub-clauses “Peak Service” and “Marketing of quality conversion services” of Section B.

Positive Daily Non-Cumulative Imbalance (referred to as ENCPBJ): quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

Powernext: Gas Exchange operator who sets out and publishes, on its public website, the market rules for the Gas Exchange.

Predicted Effective Temperature of a Day D: weighted average of the daily average temperatures measured on Day D-2 and predicted on Day D-1 for the Days D-1 and D, expressed in degrees Celsius (°C). The

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Version of June 1, 2012 (02/05/2012)
weighting coefficients are, respectively, zero point twelve (0.12), zero point twenty-four (0.24) and zero point sixty-four (0.64).

**Price:** all the elements of the price for the service subject matter of the Contract as defined in Clause “Price” of Section A, Clause “Price Supplement at Transport LNG Terminal Interface Points” of Section B, Clause “Price Supplement linked to a Daily or Hourly Capacity Overrun” of Section C, Clause “Financial management of imbalances” of Section D1, and Clauses “Purchase and sale prices (Reference Prices P1 and P2)” and “Price Supplements for Cumulative Imbalance (Reference Price P3)” of Section D2.

**Price Supplement:** price component as defined in Clause “Price Supplement at Transport LNG Terminal Interface Points” of Section B, Clause “Price Supplement linked to a Daily or Hourly Capacity Overrun” of Section C, Clause “Price Supplements for Cumulative Imbalance (Reference Price P3)” of Section D2, and Sub-clause “Long-Term Use-It-Or-Lose-It (Long-Term UIOLI)” of Section B.

**Profile of the Allocation Difference Account:** quantity of energy, expressed in MWh (GCV 25°C), as defined in Sub-clause “Allocation Difference Account” of Section D2.

**Prudent and Reasonable Operator:** person acting in good faith with the intention of executing its contractual obligations and who, in order to do this, applies the skills, attentiveness, prudence and foresight which are reasonably and usually applied by a competent and experienced professional acting in accordance with the laws and regulations in similar circumstances and conditions.

**Prudent and Reasonable Shipper:** Shipper acting in good faith with the intention of executing its contractual obligations and who, in order to do this, applies the skills, attentiveness, prudence and foresight which are reasonably and usually applied by a competent and experienced professional acting in accordance with the laws and regulations in similar circumstances and conditions.

**Recipient:** legal entity or individual to which/whom the Gas is delivered by GRTgaz at a Delivery Point or at a Title Transfer Point pursuant to the Contract. At a given Delivery Point, the Recipient is the other party of a Connection Contract or an Interconnection Contract with GRTgaz. At a given Title Transfer Point, the Recipient is the shipper to which the Gas is delivered.

**Reduced Daily Imbalance:** quantity of energy, expressed in MWh (GCV 25°C), as defined in Clause “Calculating Daily Imbalances” of Section D2.

**Reference Price:** market price arising from purchase-sale transactions concluded by GRTgaz on the Gas Exchange, used for calculating the purchase and sale price of overrun quantities.

**Regional Network Interconnection Point (PIRR):** Delivery Point located on the regional Network where the Recipient is the Operator of the downstream transmission network. A Regional Network Interconnection Point is associated with a single Exit Zone.

**Releasable capacity:** capacity as described in Sub-clause “Firm Releasable Capacity” of Section B.

**Reservation:** request for reservation of or subscription to capacity or services.

**Reserve Price:** minimal unit purchase price of a capacity for daily subscription by Auction. The Reserve Price is fixed by GRTgaz before the beginning of the Auction.

**Rule for Determining the Quantities Delivered:** rule for Determining the Daily and Hourly Quantities Delivered as referred to in Sub-clause “Determining Daily Proximity Quantities” of Section C.
Services and Capacity Portfolio: publication, via TRANS@ctions, of all services and capacity subscribed for by the Shipper, which specifies the Validity Commencement Date and the Validity End Date.

Short-Notice Interruptible Service: Service available on certain Consumer Delivery Points as defined in Sub-clause “Particular situation of the Short-Notice Interruptible Service” of Section C.

Short-Term Use-It-Or-Lose-It (Short-Term UIOLI): mechanism allowing the allocation by GRTgaz to a shipper having applied for them, of capacity subscribed by another shipper and not confirmed. The Short-Term Use-It-Or-Lose-It mechanism applies to Network Interconnection Points, to Links and to Transport Storage Interface Points in the event of a reduction in capacity.

Standard Balancing Tolerance (TSE): component of the Authorised Positive Daily Imbalance and of the Authorised Negative Daily Imbalance that is not subject to a tariff. Its value is determined in Sub-clause “Standard Balancing Tolerance” of Section D2.

Subscribed Part of the Daily Exit Capacity on the Main Network: part of the Daily Exit Capacity on the Main Network for the given Exit Zone, expressed in MWh (GCV) per day, and stipulated in Appendix 2 to the Contract.

Temperature of a Balancing Zone: temperature measured by Météo France at the weather station of Paris for the Balancing Zone North – H-gas Balancing Section, of Lille for the Balancing Zone North – L-gas Balancing Section, and of Lyon for the Balancing Zone South.

Terms applicable to the Short-Notice Interruptible Transport Service on the Main Network: Tariff term relating to a reduction, which is applied under the Short-Notice Interruptible Service subscribed for a Consumer Delivery Point (PLC). This term is applied to a capacity equal to the Daily Delivery Capacity of the aforementioned PLC and corresponds to a tariff reduction of 50% on the Entry Firm Daily Capacity on the nearest Network Interconnection Point to the PLC, and of 50% on the Firm Daily of the Main Network for the PLC.

Threshold Temperature: Effective Temperature of the cold peak Day D such as statistically occurs every ten years. Its value is defined, per Balancing Zone, as follows:

The Threshold Temperature is equal to:
-2.4°C for the Balancing Zone North – H-gas Balancing Section,
-4.0°C for the Balancing Zone North – L-gas Balancing Section,
-3.7°C for the Balancing Zone South.

Title Transfer Point (PEG): virtual point at which the Shipper may deliver quantities of Gas to another shipper, or receive Gas delivered by another shipper. A Title Transfer Point is associated with a Balancing Zone.

Reserve Price: minimal unit price of putting a capacity on sale for daily subscription by Auction. The Reserve Price is fixed by GRTgaz before the beginning of the Auction.

Transport Distribution Interface Points (PITD): Delivery Point where the Recipient is the Operator of the downstream distribution network. A Transport Distribution Interface Points is associated with a single Exit Zone.
**Transport LNG Terminal Interface Point (PITM):** Entry Point where the upstream Operator is the Operator of the upstream LNG terminal(s).

**Transport Production Interface Point (PITP):** Entry Point where the upstream Operator is the Operator of the upstream gas production facilities.

**Transport Storage Interface Point (PITS):** Delivery Point where the Recipient is the Operator of the downstream storage(s). A Transport Storage Interface Point may also be an Entry Point.

**Upstream Network:** part of GRTgaz’s Network made up of the following contractual points:
- Network Interconnection Points,
- Transport Storage Interface Points,
- Transport LNG Terminal Interface Points,
- Transport Production Interface Points,
- Links,
- Conversion Points.

**Upstream Operator:** Operator responsible for the operation of Upstream Structures.

**Upstream Structures:** infrastructures which do not belong to the Network but connected to the Network at an Entry Point.

**Validity Commencement Date:** Day from when GRTgaz’s obligations related to a Daily or Hourly Capacity come into force. The Validity Commencement Date of each Daily or Hourly Capacity is defined in Appendix 2 to the Contract.

**Validity End Date:** Day as of when GRTgaz’s obligations related to a Daily or Hourly Capacity cease. The Validity End Date of each Daily or Hourly Capacity is defined in Appendix 2 to the Contract.

**Validity Period:** period beginning on the Validity Commencement Date and ending on the Validity End Date of a given Daily or Hourly Capacity.

**Week Day:** period of time defined as a Monday, Tuesday, Wednesday, Thursday and/or a Friday of a single week, and not including Week-End Days as defined in this Contract.

**Week-End Day:** period of time defined as a Saturday, a Sunday and/or any closing day of the Gas Exchange, as defined in the "Setting Notice" ["Avis de paramétrage"] for the Powernext Gas Spot market segment, appended to the Powernext Commodity market rules.

**Working Day:** Monday, Tuesday, Wednesday, Thursday or Friday, provided it is not a public holiday in Paris area, France.