

CONSTRUCTION AND MANAGEMENT OF DELIVERY AND REDELIVERY POINTS

1) PROCEDURE FOR REQUESTING CONNECTIONS TO NEW DELIVERY/REDELIVERY POINTS.....	2
1.1) INTRODUCTION	2
1.1.1) <i>The request</i>	2
1.1.1.1 <i>Delivery points from national natural gas fields</i>	
1.1.1.2 <i>Delivery points from biomethane production plants</i>	
1.1.2 <i>Location of Delivery/Redelivery Points</i>	
1.1.3) <i>The technical-economic evaluation</i>	4
1.1.4) <i>Admissibility or inadmissibility communication and offer</i>	
1.1.4.1) <i>Requesting party's commitment and guarantees subsequent to the offer acceptance</i>	8
1.1.4.2) <i>Construction of the regulation and measurement cabin</i>	10
1.1.4.3) <i>Construction of the odorising plant</i>	10
1.1.5) <i>The construction</i>	11
2) METHODOLOGY FOR THE MANAGEMENT OF MEASUREMENT PLANTS.....	12
3) CONDITIONS FOR THE ACTIVATION AND TERMINATION OF DELIVERY POINTS FROM NATURAL GAS FIELDS AND BIOMETHANE PRODUCTION PLANTS	
3.1) ACTIVATION OF DELIVERY POINTS FROM NATURAL GAS FIELDS AND BIOMETHANE PRODUCTION PLANTS	
3.1) TERMINATION OF DELIVERY POINTS FROM NATURAL GAS FIELDS AND BIOMETHANE PRODUCTION PLANTS	14
4) CONDITIONS FOR THE ACTIVATION OF NEW REDELIVERY POINTS AND TERMINATION OF EXISTING REDELIVERY POINTS	14
3.1) ACTIVATION OF NEW REDELIVERY POINTS	14
3.2) TERMINATION OF EXISTING REDELIVERY POINTS	16

1) PROCEDURE FOR REQUESTING CONNECTIONS TO NEW DELIVERY/REDELIVERY POINTS

1.1) Introduction

This chapter aims to define the technical and economic terms and conditions governing the request and construction of connections¹ related to the request of new Delivery/Redelivery Points, as provided for by article 8.2 of Legislative Decree n. 164/00. The requirements of this Chapter also apply, in addition to the construction, to the reinforcement of existing Delivery/Redelivery Points.

The activities may be subdivided into four phases:

1. the request;
2. the location of the Delivery/Redelivery Point
3. the technical-economic evaluation;
4. the admissibility communication and the offer;
5. the construction.

1.1.1) The request

The process that leads to the construction of a new Delivery/Redelivery Point is activated by a request, presented to Snam Rete Gas by the party requesting the connection (the Requesting party).

The Requesting party will provide Snam Rete Gas with the following elements:

- a) its corporate data (company name, address, telephone numbers, etc.) and, for biomethane production plants, the data the biomethane producer if different from the Requesting party²;
- b) the location and type of the plant to be connected (ATECO 2007 code of the productive activity /municipality) where necessary in accordance with Resolution 46/2015/R/gas including maps that show the ownership of the land on which the production plant is to be installed;
- c) the dates planned for the start and end of the construction works and the commissioning of the plant to be connected;
- d) the information instrumental to odorization pursuant to the Chapter 3, paragraph 3.11 above, and to this chapter 6 where the request does not concern a Redelivery Point that is interconnected with distribution networks;
- e) the requested transportation capacities (daily flow, maximum hourly flow) and declaration of alignment of such capacity with the future consumption/injection requirements;
- f) the annual volume;
- g) the declaration certifying the availability of the land on which the plant to be connected will be installed on the relevant forms published on the Snam Rete Gas web site;

¹ The connection consists in constructing sections of network and installations necessary to make a gas pipeline connection

² In accordance with resolution 46/2015/R/Gas, the Requesting party is the biomethane producer or the Shipper

- h) for biomethane production plants, the schematic drawing of the plant, signed by a qualified engineer, indicating all the devices relevant to the connection, the measuring system, the monitoring and safe implementation of the plant in accordance with the indications given in the Annexe of Chapter 10 “Construction and modification of measurement plants” and those published on the Snam Rete Gas web site, that is, for the injections of biomethane using a gas cylinder truck, the schematic diagram of the connection plant, signed by a qualified engineer indicating all the devices relevant to its connection and safe implementation, in compliance with the legislation in force;
- i) other possible relevant information;
- j) statement of the deposit of € 2,000 as security, as a proof of genuine interest by the requesting party.

The requesting party may indicate when it requires the new Delivery/Redelivery Point to be effective. It is understood that the start-up of new Redelivery Points is subject to compliance with the conditions in paragraphs 3 and 4 below.

Snam Rete Gas does not assume any liability, also in respect of third parties, in relation to the accuracy, correctness and completeness of the information reported by the Requesting party.

The connection request for new Delivery Points from natural gas fields and biomethane production plants must also include the information and documentation indicated below.

1.1.1.1 *Delivery points from national natural gas fields*

In addition to the provisions laid down in par. 1.1.1, for Delivery Points from national natural gas fields, the Requesting party is obliged to present, together with the request, a declaration certifying the composition of the gas: for productions not compliant with the Quality Requirements set out in Annexe 11/A, the composition is necessary, where possible, to identify the best solution in terms of the point of connection to the Snam Rete Gas’ pipeline network - which may not necessarily be the closest point to the production site - in order to allow the gas to be blended and, as far as possible, the gas to be made compliant with the quality requirements mentioned above, as laid down in Annexe 11/A, paragraph 4.5.

Snam Rete Gas declines all liability concerning the truthfulness and accuracy of the declarations made by the requesting party.

1.1.1.2 *Delivery points from biomethane production plants*

In addition to the provisions laid down in par. 1.1.1, for Delivery Points from biomethane production plants, the Requesting party is obliged to present the following documents with the request:

1. Sworn statement in lieu of the statutory declaration certifying the compliance of its plant to the Interministerial decree of 5 December 2013 on the matrices used and the production and treatment process adopted;

2. Declaration of its commitment to guarantee the compliance of the biomethane produced to the Quality Requirements set out in Annexe 11/A on its composition and odorizability.

With regard to point 1 above, the verification made by the Transporter in accordance with resolution 46/15, art.2, subsection 2, is considered as performed through the acquisition of the sworn statement.

In all cases, Snam Rete Gas declines liability concerning the truthfulness and accuracy of the declarations made by the Requesting party.

When submitting the request, the Requesting party must also declare that it is aware and accepts that the Transporter may refuse to grant the connection or shut off the injection of biomethane in all cases in which the biomethane to be injected or already injected in the network fails to meet (or could potentially not meet) the quality requirements, the pressure or capacity constraints established for the injection points and the other conditions laid down by the legislation in force at the time, including the provisions laid down in this Network Code.

In these cases, the provisions laid down in Chapter 19 are applicable.

The Transporter may also refuse to grant the connection or may shut off the supply as described above if checks made by the competent authorities reveal that the party does not meet the requirement indicated in point 1 above, without prejudice to any provisions laid down by these authorities.

1.1.2) Location of Delivery/Redelivery Points

Having received the request, containing the above elements, the Transporter establishes the location of the point of connection to the existing network according to the best technical and economic solution capable of ensuring the transportability and disposability of the volumes of gas indicated by the Requesting party considering also the criteria published on the Snam Rete Gas web site in compliance with Resolution 46/15, Annexe A, subsection 6.1 on Delivery Points from biomethane production plants.

Subsequently, the Requesting party must agree upon the location of the Delivery/Redelivery Point with Snam Rete Gas and sign the Location report, on the form published on the Snam Rete Gas web site.

If the Requesting party cannot be contacted at the addresses/telephone numbers indicated or no Delivery/Redelivery Point is agreed upon within three months of presentation of the request, it will be considered as expired.

For the connection of biomethane production plants, if the Requesting party cannot be contacted at the addresses/telephone numbers indicated or no Delivery/Redelivery Point is agreed upon within two months of submission of the request, it will be considered as expired.

1.1.3) *The technical-economic evaluation*

On the basis of the elements of the connection to the existing network and the agreed Delivery/Redelivery Point received from the Requesting party, Snam Rete Gas plans the connection project and estimates the necessary investment and timing of its construction.

The project will comprise the plants functional to the connection in consideration of the capacity requested and the size of the network to which the Point will be connected. If the biomethane is injected into the network using a gas cylinder truck, the project will also include the construction of the measurement plant.

For the Delivery Points from natural gas fields and biomethane production plants, the Transporter will construct transport system equipment for monitoring the gas quality control parameters and intercepting the gas necessary for Snam Rete Gas to perform its control functions to ensure the safety of the networks and the service, such as devices for determining the quality of the biomethane and automatic interception devices. Having defined the investment requirements, Snam Rete Gas carries out the economic analysis, in order to quantify the possible contribution by the requesting party.

Attachment 6/A includes the method for calculating the contribution, which applies to the following circumstances:

- construction of a new Delivery/Redelivery Point,
- reinforcement of a Delivery/Redelivery Point, at which the requested transportation capacity is greater than the existing transportation capacity.

In all other circumstances, the requesting party has to pay a contribution equal to the connection cost, reduced by the allowance indicated in point 1.2 of Attachment 6/A.

In this context, the Transporter must also carry out the assessments concerning the construction of the odorization plant, pursuant to paragraph 1.1.3.3.

For Delivery Points from biomethane production plants only, in accordance with Resolution 46/15, the Requesting party can ask to have the contribution divided into instalments for a maximum period of 20 years as laid down in Annexe 6/A, paragraph 1.2.1, and Chapter 18, paragraph 4.3.4. If divided into instalments, only the part of the contribution actually collected for the construction of the connection included in the invested capital recognized by the Authority will be deducted from the costs borne by the Transporter for the construction of the connection.

1.1.4) *Admissibility or inadmissibility communication and offer*

Snam Rete Gas will inform the Requesting party of the reasons for the inadmissibility of the request or its admissibility, by sending, in the latter case, the connection offer based on the technical and economic evaluation mentioned above.

Snam Rete Gas will send the Requesting party the admissibility communication with its connection offer within 40 working days of the date on which the Delivery/Redelivery Point Location Report is signed, except for cases in which the technical feasibility of the connection is particularly complex and without prejudice to the provisions laid down in Chapter 13, paragraph 3.4.

For Delivery Points from biomethane production plants only, this communication is made within 120 days of receipt of the connection request.

Within the times indicated above, Snam Rete Gas, if appropriate, will communicate the inadmissibility of the request together with the reasons.

The connection offer is set out in accordance with the standard contract templates –the text of which is indicated on the Snam Rete Gas web site. The connection contract, in particular, will contain the following information and contractual clauses:

- the corporate data of the Requesting party;
- the date of the connection request;
- the ID code of the connection request and the name and contacts of the Transporter's reference persons for the entire request process
- the characteristics of the Delivery/Redelivery Point (hourly and daily flows, minimum and maximum working pressure);
- the date of signing of the Delivery/Redelivery Point Location report;
- data relating to the location of the Delivery/Redelivery Point, defined in the report above, which will be annexed to the contract;
- where necessary, an indication of the works functional to the physical connection that the requesting party must provide, also for the activation of this connection under safe conditions in accordance with the indications published on the Snam Rete Gas web site;
- where necessary, an indication of the parts of the system that the Requesting party must construct in accordance with the requirements laid down by the Transporter, and the methods that the Transporter will adopt to check compliance with the indications published on the Snam Rete Gas web site, in accordance with Resolution 46/15, Annex A, subsection 6.1;
- an indicative list of the authorization obligations necessary to construct the connection (this information is considered to be sent as a non-exhaustive example and will therefore not represent any constraint for the Transporter);
- construction timing for the connection, subdivided in:
 - estimated time for obtaining licenses, authorisations and easements (Snam Rete Gas does not assume any responsibility nor obligation in this respect, with the exception of what is provided for in paragraph 2 of Chapter 19;
 - necessary time for the construction, starting from the time of obtaining all the licenses, authorisations and easements;
- construction costs, detailing the various cost components (service and external costs, materials, overheads), for cases in which a contribution is requested pursuant to paragraph 1.1.2

- timing for the construction of the odorization system, if required, at the regulating and metering station by the Transporter pursuant to paragraph 1.1.3.3. The timings are subject to construction of the regulating and metering station by the Applicant and are beyond the scope of the timing for setting up the connection, even for the purposes of section 1.1.4, point b;
- the amount of the guarantee requested, together with the conditions and methods of presentation by the Requesting party, and the methods and conditions of any examination by Snam Rete Gas, as indicated in par. 1.1.4.1, equivalent to:
 - the Delivery/Redelivery Point construction costs, in cases where, after the economic evaluation referred to in paragraph 1.1.3, no contribution is required;
 - the Delivery/Redelivery Point construction costs, less the contribution in the cases where required;
- the amount of any contribution on the basis of the economic evaluation in paragraph 1.1.3 and its methods of payment;
- the procedures for acceptance of the offer;
- the term of validity of the offer as indicated below.

The offer is valid for 3 months from the issue date and will be accepted, when, by the validity term above:

- 1) Snam Rete Gas receives a copy of the connection contract duly signed by the legal delegate or by a subject with adequate power;
- 2) The Requesting party, together with the acceptance of the offer, presents a guarantee in one of the forms indicated in paragraph 1.1.4.1;
- 3) Where the Requesting party is to make a contribution, the Transporter finds that the contribution has been paid.

If any of the conditions listed above are not satisfied, the offer will be considered as not accepted and will thus expire.

If the offer is accepted, once the contract has been finalized, Snam Rete Gas will return the deposit indicated in letter j) of paragraph 1.1.1. Similarly, this deposit will be returned if the Requesting party decides to construct the connection works independently and agrees with Snam Rete Gas upon the methods and terms for the construction of a Delivery/Redelivery Point on the pipeline network.

If the Requesting part constructs the connection independently, the Delivery/Redelivery Point will be located upstream/downstream of the works carried out by the Requesting party, respectively.

The Requesting party has the right to withdraw from the connection contract. To do this, the Requesting party must send the Transporter a written withdrawal communication, with the consequences indicated in paragraph 1.1.4.1.

The Transporter has the right to terminate the connection contract in advance not only for the causes provided for by the law but also in the following cases:

- When any of the conditions of the contract are violated, thus jeopardizing its effectiveness and/or fulfilment;

- If the Requesting party is found to have connected to another network before the Delivery/Redelivery Point has been made available;
- If it is not possible to construct the work due to the failure to obtain any of the public authorizations necessary for causes not attributable to Snam Rete Gas;
- if, following a change to the company's name and/or VAT number, the Requesting party fails to present a new guarantee/suitable appendix within 30 days of the change;
- if the Requesting party is subjected to a liquidation or insolvency procedure that does not allow the company to continue to operate.

The Transporter also has the right to terminate the connection contract early, after a notice to fulfil, in the following cases:

- when, within a month of the offer acceptance date, the Requesting party has not made available the land on which the Delivery/Redelivery Point is to be installed, through a right of way or transfer of ownership;
- when the Requesting party has not fulfilled the obligations set out in the Location Report;
- only for Delivery points from biomethane plants for which instalments have been granted in accordance with paragraph 1.1.3 above, if even just one bill is not paid within its expiry date.

1.1.4.1) Requesting party's commitment and guarantees subsequent to the offer acceptance

Following acceptance of the offer, the Requesting party undertakes to pay Snam Rete Gas the amounts indicated below when the following conditions occur:

- a) In case of early termination of the contract or renunciation to construct the Delivery/Redelivery Point as indicated in paragraph 1.1.4, the Requesting party will pay Snam Rete Gas an amount equal to the costs, duly documented, incurred by Snam Rete Gas until the date of termination/renunciation, as well as the expenses already borne by Snam Rete Gas on the same date, less the contribution already paid.
- b) If, within a year of the date when the transportation capacity was made available at the Delivery/Redelivery Point, as communicated by Snam Rete Gas, a contract has not been signed by the requesting party or by another party entitled as indicated in Resolution no. 137/02 for the provision of capacity in line with the indications given, the Requesting party will be obliged to pay Snam Rete Gas an amount equal to the entire cost indicated in the offer, less any contribution already paid. The same payment will also be due if, after the capacity has been provided and until the capacity has been booked at the Point, even after checks have been made by the competent authorities, the Requesting party has been found not to meet the requirements for the plant to be connected, without prejudice to any provisions laid down by these authorities

In order to cover such commitment, the requesting party must present, together with the offer acceptance, the following guarantee:



- first demand bank guarantee in favour of Snam Rete Gas, issued by an Italian credit institute or an Italian branch of a foreign bank;
- non-interest bearing security deposit.

The aforementioned bank guarantee, the text of which is available on the Snam Rete Gas website, must be submitted in original form together with the acceptance of the offer.

By presenting such bank guarantee, the releasing institute will commit itself to refund upon first request to Snam Rete Gas the following amounts:

- an amount corresponding to the sum of the incurred costs and the charges relating to the spending commitments already assumed at the time of the early termination or renunciation, in accordance with letter a) above;
- an amount corresponding to the investment sums contained in the offer, in accordance with letter b) above.

The aforementioned non-interest bearing security deposit shall be paid by wire transfer to the bank account expressly indicated by the Transporter in the offer, in time for the Transporter to verify that the amount has been credited together with the acceptance of the offer. Acceptance of the offer prepared by Snam Rete Gas will not be considered valid until the Transporter has received payment in full or if the amount received is less than that set out in the offer.

The non-interest bearing security deposit specified in the offer may be used by the Transporter as payment:

- for any costs incurred and charges relating to the commitments already made at the date of the early termination/cancellation, in the case referred to in letter a) above;
- for the cost of carrying out the investment indicated in the offer, in the case referred to in letter b) above.

If the contribution for the construction of the Delivery points from biomethane production plants indicated in paragraph 1.1.3 is paid in instalments, for the connection offer to be accepted, the Requesting party must also adapt the guarantee to the commitments indicated under letters a) and b) above to cover the amount for the entire period in which instalments are paid, less any contribution already paid.

In case of non-payment by the Requesting party of the relevant amounts in the cases described under letters a) and b) and the amounts indicated in Chapter 18, paragraph 4.3.3, Snam Rete Gas will enforce the financial guarantee or the safety deposit, adjusting the following thermal year's tariff proposal depending on whether the requesting party has paid the amount due to Snam Rete Gas or Snam Rete Gas has enforced the bank guarantee.

1.1.4.2) *Construction of the regulation and measurement cabin*

The construction of the regulation and measurement cabin at the Delivery or Redelivery Points is normally the responsibility of the Requesting party. The equipment that will be installed in the cabin and the relative installation drawing must conform to the provisions laid down in the Annexes of Chapter 10 "Construction and modification of measurement plants" and "Gas measurement".

Following acceptance of the connection offer, the Requesting party will send the design documentation on the regulation and measurement system to allow Snam Rete Gas to check the compliance of the measuring equipment and its installation diagram with the provisions indicated above. This documentation must be provided using the methods published on the Snam Rete Gas web site.

In order to allow the Snam Rete Gas staff or other workers designated by the company to gain access to the measuring system, in compliance with the safety regulations, the owner must provide them with the "Specific Risks Document" of the system.

The owner must also provide the Transporter with an independent access to the measurement cabin:

if, for objective reasons, this should not be possible, the requesting party agrees in any case to guarantee to the Transporter – through a self-declaration – the possibility to access the measuring plant at any time and safely, in order to permit the obligations undertaken towards Snam Rete Gas to be fulfilled in accordance with this document: said declaration must contain a detailed description of how the above mentioned access will be permitted.

The Transporter shall make available on its website, specific procedures concerning access of their staff to the regulation and measuring stations and if required the installation and maintenance of its data acquisition and transmission equipment.

1.1.4.3) *Construction of the odorising plant at the Redelivery Points at Final Customers directly connected to Snam Rete Gas' transmission network*

The odorization system is normally built by the Transporter at the regulating and metering station, and always according to the criteria published on its website pursuant to the RQTG, article 5.3 (b)(i).

The odorization system shall be provided, installed and owned by the Transporter. The Transporter and its successors or assigns, shall have the right to keep the odorization system in the regulating and metering station free of charge without any burden or fee.

For the design and construction of the odorization system and to ensure safe access for Snam Rete Gas's staff, or subjects appointed thereby to its regulating and metering station, the Transporter shall use the information provided by the Applicant pursuant to paragraph 1.1.4.2 and the permissions or certificates pursuant to paragraph 1.1.4.2.

Snam Rete Gas shall publish on its website the technical/application solutions adopted for gas odorization at Redelivery Points.

Any changes by the Applicant presented at the time of the connection request, pursuant to paragraph 1.1.1, or during the implementation of the Upgrade Plan pursuant to Chapter 3, are subject to the Transporter's acceptance. The additional costs for the design, construction and management shall be borne by the Applicant/Final Customer. If rejected by the Transporter or if the Applicant/Final Customer fails to pay the above costs, the Transporter shall not build the odorization system and thus shall not start up the Point set out in paragraph 3.1 below or initiate the procedures to shut down the Point in compliance with the terms and conditions of paragraph 3.2 below.

1.1.5) Construction

After signing the offer prepared by Snam Rete Gas, submitting the bank guarantees and paying any contribution above, the construction of the connection may begin.

For Delivery Points from biomethane production plants, once the offer has been accepted, Snam Rete Gas publishes the location of the new Delivery Point to be constructed on its web site.

Once the construction of the Delivery/Redelivery Point has been completed, Snam Rete Gas communicates it to the Requesting party and publishes the relevant information on its website, indicating the REMI code and the date from which the new point is available for capacity booking.

It is understood that new Delivery/Redelivery Points are only activated if the conditions indicated in paragraphs 3 and 4 below are respected.

1.2) Virtual Entry Point for biomethane injections from production plants connected with distribution network/other transport networks

With regards to the connection of a biomethane production plant on distribution network or on other transport networks, Snam Rete Gas updates the information relating to the Entry Virtual Point specifying the redelivery point of the transport/distribution network to which the production is connected, according to the terms described below.

In relation to each biomethane production plant interconnected with distribution network or other transport networks, Snam Rete Gas - having received notification by the GSE or by the concerned distribution company/other transport company about the commencing of connection activities of a new biomethane production plant on its network - updates the information regarding to the Entry Virtual Point on its information systems as well as the relevant publication.

The Information communicated by the GSE or by the Distribution/other transport Company for updating the Virtual Entry Point information, are published by Snam Rete Gas on the own website.

If Snam Rete Gas receives the information regarding the integration activities in the information systems with an advance shorter than 90 days by the scheduled biomethane production plant entry into exercise date, Snam Rete Gas does not ensure the conclusion of the activities within the deadline above mentioned.

After the conclusion of construction activities, the GSE, if it owns the information above mentioned or, if not, the relevant Distribution Company/other transport company communicates to Snam Rete Gas the available biomethane production plant entry into service date. Within 2 working days from the receipt of such communication, Snam Rete Gas:

- completes the activities to ensure availability of the Point for capacity booking;
- publishes on its Internet website, at the first useful date, information regarding the transport capacity at the point and the concerned available date, as communicated by the GSE or by Distribution Company / other transport company connected with biomethane production plant.

In relation to the update of the transport capacity value at the point, Snam Rete Gas will consider changes/increases of transport capacity, communicated by the Company Distribution / other transport company:

- for each thermal year, by the 15th June of the previous Thermal Year;
- for each month of the Thermal Year, by the 15th of the previous month.

The information flows management relating to biomethane production plants interconnected with distribution network/other transport networks is described in the procedures defined by Snam Rete Gas and available on own internet website.

It is understood Snam Rete Gas does not assume any responsibility for the veracity, accuracy, punctuality, and completeness of the information and the requests communicated by GSE, including all possible effects towards User and /or Third Parties.

2) METHODOLOGY FOR THE MANAGEMENT OF MEASUREMENT PLANTS

The methodology for the management of measurement plants is described in the chapter "Gas measurement".

3) CONDITIONS FOR THE ACTIVATION AND TERMINATION OF DELIVERY POINTS FROM NATURAL GAS FIELDS AND BIOMETHANE PRODUCTION PLANTS

3.1) Activation of Delivery Points from natural gas fields and biomethane production plants

The provisions contained in this paragraph do not apply to the Entry Points from biomethane production plants connected with distribution networks or other transport network for which

the service will start the first day of the month following the end of the transport capacity booking process, according to the modalities and terms indicated in the previous Chapter 5.

The activation of a new Delivery Point from natural gas fields and biomethane production plants – intending the start of the delivery of gas at this point – will be authorized and performed by Snam Rete Gas once the following contractual and technical conditions have been met:

- Booking of capacity at the Point concerned in accordance with a Transportation Contract;
- Shipper's consent to start delivery of the gas at the Delivery Point;
- Signing of the activation check report by the owner of the plant and Snam Rete Gas, in accordance with the Annexe of Chapter 10 "Construction and modification of measurement plants";
- Compliance of the biomethane to the Quality Requirements set out in Annexe 11/A ascertained together by the parties using the field instruments for the parameters that can be determined continuously and on the basis of the certificate issued by a test laboratory for the other parameters.

The request to start the delivery of gas to the Delivery Point (Activation request) must be made by the Shipper using the relevant function provided by Snam Rete Gas on its web site, in accordance with the terms and methods specified in it. In order to have access to this function, the Shipper must sign a request for authorization, which can be found on the Snam Rete Gas web site.

The contents of the request for authorization signed by the Shipper (requests, commitments, declarations or acceptance letters) like all requests/communications or intentions expressed in accordance with this paragraph by the Shipper, through the relevant function on the Transporter's web site, constitute a formal obligation and commitment for the Shipper, who undertakes all liability for any failure to fulfil/errors or omissions.

It is understood that, for the aforesaid request and all the information/communications functional to its management, Snam Rete Gas declines all liability towards the Shipper, the Producer and third parties concerning the truthfulness, correctness and completeness of the data communicated and the declarations made by them.

The same conditions and provisions described in this paragraph also apply to the reactivation of Delivery Points following changes made to the plant. In these cases, the Shipper must also submit:

- Self-certification, through a sworn statement in lieu of the statutory declaration, of the compatibility of the biomethane plant with Interministerial decree of 5 December 2013 in relation to the matrices used and the production and treatment process adopted;



- Declaration through which he undertakes to guarantee the compliance of the biomethane produced with the Quality Requirements indicated in Annexe 11/A, with reference to its composition and odorizability.

In these cases, the Shipper must also declare that he is aware of the fact that the Transporter may not allow the delivery to be activated or may immediately shut off the injection of biomethane, if he finds that the biomethane to be injected into the network or already injected in it does not meet the quality requirements, the pressure or capacity constraints imposed on the injection points and the other technical conditions laid down by the legislation in force at the time.

It is understood that, in all cases in which the biomethane injections are shut off in accordance with Resolution 46/15, for these injections to be resumed, the compliance of the biomethane with the Quality Requirements set out in Annexe 11/A must be ascertained together by both parties using field instruments for the parameters that can be monitored continuously and on the basis of the certificate issued by an accredited laboratory for the other parameters.

3.2) Termination of the Delivery Points from natural gas fields and biomethane production plants

With regard to the termination of Delivery Points from natural gas fields and biomethane production plants, in the presence of Shippers that own capacity at the Point, the provisions described in paragraph 4.2 are applicable, except for point 3 of the same paragraph, extending the provisions laid down for the Final customer to the Producer.

It is understood that the requests for the termination of Delivery Points from natural gas production and from production of natural gas and biomethane production connected to the distribution network / other transport networks must be communicated to the relevant network operators.

4) CONDITIONS FOR THE ACTIVATION OF NEW REDELIVERY POINTS AND TERMINATION OF EXISTING REDELIVERY POINTS

The operational administration of Redelivery Points covers the phases of:

- 1) activation of new Redelivery Points;
- 2) termination of existing Redelivery Points.

4.1) Activation of new Redelivery Points

The activation of a new Redelivery Point – in other words, the start of gas delivery at that Point – will be authorised and performed by Snam Rete Gas, once the following contractual and technical conditions are met:

- capacity booking at the relevant Redelivery Point, according to the terms of the Transportation Contract;
- consent of the Shipper to start the redelivery of gas at the Redelivery Point;

- signing of the activation check report by the owner of the measurement plant and by Snam Rete Gas, in accordance with the Annexe of Chapter 10 “Construction and modification of measurement plants”;
- possession – in case of measurement plants connected to fiscal deposits different from that of Snam Rete Gas – of the notification UTF;
- successful outcome of the document verification if required, pursuant to Resolution 40/14;
- readiness for operation of the odorization system if required pursuant to Chapter 3 and this Chapter.

The request to activate the redelivery of gas at the Redelivery Point (Activation Request) must be made by the Shipper via the relevant functionality on the Snam Rete Gas website, according to the terms and procedures contained therein. In order to gain access to this functionality, Shippers must submit an access request via the Snam Rete Gas website.

The content of the access request submitted by the Shipper (requests, commitments, declarations or acceptances), as well as any request/communication or expression of will made within the meaning of this paragraph by the Shipper via the relevant functionality of the Transporter’s website, constitute a formal obligation and commitment on the part of the Shipper, which accepts any and all liability arising from any breaches/errors or omissions.

The request must include the designation by the Shipper of the Final Customer's use category as classified by the TISG as required by the RQTG by sending the specific declaration in compliance with the terms and conditions published using the features of the website. The declaration is required before start-up. If the designation includes the odorization service pursuant to Chapter 3, the Point shall not be started up until completion of construction and availability of the odorization system by the Transporter under the provisions of this Chapter.

If required for construction, the information needed to safely carry out installation and maintenance of the Transporter's odorization equipment must also be provided (by way of non-limiting example: information on access to the regulating and metering station and the specific risks, safety procedures, plant layout, classification of hazardous areas, contact persons), using the methods set out in the specific procedure provided by the Transporter on its website.

It is understood that, in relation to the above request and all the information/communications required to manage such requests, Snam Rete Gas does not accept any liability in respect of the Shipper, Final Customer or third parties with regard to the veracity, accuracy and completeness of the data communicated and the statements made by them.

The Transporter shall perform odorization at the Point on the basis of the content of paragraph 1.1.1 of this chapter. The Shipper must report and keep up to date the information that is instrumental for the odorization for Redelivery Points at Final Customers directly connected to the transmission network pursuant to Chapter 3,

paragraph 3.11 above. The provisions of Chapter 20, paragraph 7 remain in force. Starting up the Redelivery Point shall be subject to the Shipper's report.

In the cases covered by Resolution 40/14, starting up the Redelivery Point is also subject to documental proof of the safety of the facility interconnected by Snam Rete Gas. To this end, the Shipper must ensure the provision of information and documentation concerning the facility as laid down by the aforementioned Resolution, pursuant to the applicable technical standards and the procedures published on the Transporter's website. The provisions of Chapter 20, paragraph 7 remain in force.

The same terms and conditions described in this paragraph shall also apply to the re-start-up of previously shut down existing Redelivery Points, including resuming operation following changes to the systems. It is understood that the re-start-up is conditional, if required by Chapter 3, paragraph 3.11, to the implementation of the odorization system if required, except as per Chapter 3, section 3.11.1, and to documental proof of the safety of the facility pursuant to Resolution 40/14.

4.2) Termination of existing Redelivery Points

If, during the Thermal Year, a Shipper intends to interrupt the gas flow to a Final Customer, the Shipper is required to submit the appropriate request (Termination Request) to Snam Rete Gas via the relevant functionality of the Snam Rete Gas website according to the terms and procedures indicated therein.

Except as specified below with regard to disconnection, the Redelivery Point is closed by means of "disking" - i.e. by inserting a metal disc at the connection point located immediately upstream of the Redelivery Point.

In order to gain access to this functionality, Shippers must submit an access request via the Snam Rete Gas website.

The content of the access request submitted by the Shipper (requests, commitments, declarations or acceptances), as well as the Termination Request and any request/communication or expression of will made within the meaning of this paragraph by the Shipper via the relevant functionality of the Transporter's website, constitute a formal obligation and commitment on the part of the Shipper, which accepts any and all liability arising from any breaches/errors or omissions.

In order to proceed with the termination operations:

- 1) in case of agreement between the Final Customer and the requesting Shipper on the need to terminate the contractual supply, the request must be accompanied by the appropriate statement signed by the Shipper and the Final Customer attesting to the common agreement to proceed with the termination operations;
- 2) in case of a Termination Request due to the cessation of activities by the Final Customer, at the time of submitting the request, the Shipper must attest to the date on which the activities ceased;

- 3) in all other cases, the Shipper must attest, at the time of submitting the request, that the request itself is compliant with terms of the contract signed with the Final Customer.

The Shipper must communicate all of the information required for each of the abovementioned cases via the relevant functionality of the Snam Rete Gas website using the forms contained therein.

The Termination Request is presented to Snam Rete Gas suitably in advance to comply with the contents of this paragraph.

In the case of a shared Redelivery Point, the request must be sent by all the Shippers present at the same Point.

It is understood that, in relation to the above request and all the information/communications required to manage such requests and the activities associated with closing a Point, Snam Rete Gas does not accept any liability in respect of the Shipper, Final Customer or third parties with regard to the veracity, accuracy and completeness of the data communicated and the statements made by them. The Shipper therefore indemnifies Snam Rete Gas against any request for damages by third parties.

Snam Rete Gas, after having verified the suitability and completeness of the request by the Shipper, will plan and communicate to the Shipper the date for the termination works, trying to accommodate the request of the Shipper or stating a new back date that is as close as possible to the one proposed by the Shipper. The communication from Snam Rete Gas to the Shipper is made via the relevant functionality of its website within the third working day after receiving the request from the Shipper. The report shall provide proof of the date of receipt of the Shipper's request and shall include the name and contact information of the Transporter's contact persons.

The Shipper will inform the Final Customer concerned that a request to close the Final Customer's Redelivery Point has been submitted to Snam Rete Gas (hereafter "Termination communication").

The Termination Communication must contain:

- the indication of the date to carry out the termination as planned and communicated by Snam Rete Gas to the Shipper;
- the specific warning that the termination intervention will in any case be carried out even in the absence of the same Final Customer.
- exclusively with regard to the second termination operation as described in detail below, the notification that, where it is not possible to close the Redelivery Point by means of a disking operation, the Redelivery Point will be disconnected by cutting off the flow of gas upstream of the Point, where technically feasible.

The Termination Communication must be sent to the Final Customer with suitable advance in order to allow the Final Customer to implement all the actions aimed at ensuring safety at its plants. This advance must not be shorter than 20 days compared to the date identified for the execution of the intervention, excluding the cases under point 1 above, which are subject to the agreement between the Final Customer and the Shipper, as communicated to Snam Rete Gas..

The Shipper must likewise ensure, providing evidence to Snam Rete Gas through the relevant functionality made available by Snam Rete Gas on its website and according to the terms and methods indicated therein, that the Termination Communication has the minimum content specified above and has been sent to the Final Customer with the abovementioned advance.

The Shipper, as part of the termination request, may express its intention for a representative of the company to be present at the termination who, if actually present, will sign the relevant report together with a representative of the Transporter. In case of a shared Redelivery Point, the Shippers may delegate a Shipper, which will ensure that its representative is present at the termination. In this situation, all of the Shippers at the Redelivery Point must agree to the delegation.

Except with regard to the activation of the Default Transportation Service, the Shipper will be obliged to pay for the capacity booked at the Redelivery Point for the remaining part of the Thermal Year.

In particular, where the request to close the Redelivery Point by the Shipper is submitted following the termination of the supply contract due to non-performance by the Final Customer, the Transportation Contract entered into with the Shipper shall cease to apply with regard to the Redelivery Point for which the Termination Request has been submitted.

The Shipper, up until the actual closing of the Redelivery Point, may cancel their request no later than 12 noon on the working day before the diking operations are due to take place, by sending a cancellation request via the relevant functionality made available by Snam Rete Gas on its website.

In the event that a cancellation request is submitted after this deadline, or an intervention is made in the form of a declaration on the appropriate report signed by the representative of the Shipper, Snam Rete Gas is entitled to charge the Shipper the costs incurred in the meantime.

In all cases, the cancellation involves the continuation of the supply to the Redelivery Point by the Shipper.

The Shipper must in all cases notify the owner of the plant of the cancellation of the previously scheduled termination intervention.

Snam Rete Gas will not carry out the operation requested in the following cases:

- a) in the absence of all the Shippers' termination requests, in case of a shared Redelivery Point;
- b) where the Shipper has not provided a statement to Snam Rete Gas - through the relevant functionality made available on the Transporter's website according to the terms and methods indicated therein - certifying that the Termination Communication has been sent to the Final Customer with the minimum content

specified above and the related reception by the latter within the notice period indicated above

- c) in the event of the timely and explicit cancellation by the Shipper or, in the case of shared Redelivery Points, by at least one of the Shippers;
- d) should Snam Rete Gas be unable to carry out the termination due to causes out of its control (such as, purely by way of example, denied access to the area where the point to be terminated is located to Snam Rete Gas personnel). These circumstances will be recorded in the report. Except as provided in this paragraph, in this case, the Shipper will agree with Snam Rete Gas a second date to carry out the termination and will inform the Final Customer of the new date, providing proof to Snam Rete Gas of the reception of the communication by the Final Customer. The request and the scheduling of the second termination intervention can be carried out at the same time as the request for the first intervention, for a later date. The second request will be automatically cancelled in cases where the disking operation is carried out during the first scheduled intervention. In case of the persisting impossibility for Snam Rete Gas to carry out the second disking intervention, Snam Rete Gas will: (i) having verified the technical feasibility of such an intervention, proceed to disconnect the Redelivery Point by cutting off the flow of gas upstream of the Redelivery Point; and (ii) based on the specific request of the Shipper submitted at the same time as the request for the second disking intervention, contact the competent juridical authority in order to obtain a juridical permit that authorises Snam Rete Gas to proceed with the disking intervention, specifying the execution methods. To this end, the Shipper must, according to the terms and procedures defined by Snam Rete Gas, provide the necessary documentation via the specific functionality made available on the Snam Rete Gas website.

In all cases where the disking operation is not carried out, the Transportation Contract in place with the Shipper will remain fully effective, including for the Redelivery Point for which the termination request was formulated. The cases referred to in letters a) and d) are without prejudice to the provisions of Chapter 5, paragraph 10.

Except for the technical aspects associated with the disking and disconnection operations, the Shipper assumes all and any liability towards the Final Customer and towards any third party regarding the termination, expressly exonerating Snam Rete Gas from any claims for damages made, for any reason, by the Final Customer or by third parties.

The provisions under this paragraph are also applied in the cases under Chapter 5 “Transportation Capacity Booking Procedure”, paragraph 10.