

REGASIFICATION CAPACITY BOOKING FOR THE THERMAL YEAR 2014/2015

By 30 September 2014 and after the last business day of each month M-2, GNL Italia will publish the regasification capacity available for booking on its website.

Request

Within the fifth business day of month M-1, the regasification capacity requests for each month in the period included between month M and the end of the thermal year 2014/2015 must be received by GNL Italia at fax number 02 3703 0339. This is done by filing out the electronic **MODULO_RICHIESTA_CAPACITA'**, available under Business & Service – Thermal Year 2014/2015 – Capacity Booking and Transactions – Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year.

The capacity requests must contain the following, otherwise they will be inadmissible:

- a) the volume capacities, expressed in liquid m³ of LNG, set forth under letter a) points i) and ii) of Paragraph 5.1 of Section 5 of the Regasification Code, specifying the months for which its use is requested and the calendar dates associated with the requested capacity if the process of associating the Cd to the distributed capacity volume was already done;
- b) the volume capacity, expressed in liquid m³ of LNG set forth under letter a) point iii) of Paragraph 5.1 of Section 5 of the Regasification Code;
- c) the number of landings, in line with the aforementioned capacity requests and the size of the LNG tankers and the number of landings for each of them.
- d) the number of landings, in line with the regasification capacity already subscribed in the previous booking processes, the size of the LNG tankers and the number of landings for each of them.

In the case where the applicant already has one or more Regasification Contract(s), he has the right to request a volume capacity equal to the difference between the annual amount of the import contracts and those already subscribed in the Regasification Contract(s) during the booking process for the current Thermal Year.

The capacity subscribed in the Regasification Contract(s) includes the capacity made available for the booking by third parties pursuant to Article 7, Paragraph 2 of Resolution no. 167/05.

Upon presentation of the request, under penalty of inadmissibility, each applicant is required to provide GNL Italia with the documentation via an affidavit in which the applicant, aware of the criminal penalties set forth for inaccurate statements, certifies:

- A. to have one or more LNG import contracts;
- B. the type of contract(s);
- C. in the case of *take or pay* import contracts signed after 10 August 1998, for each contract, the lesser of the LNG volumes for each Thermal Year starting with Thermal Year 2001-2002, delivered for regasification at the Panigaglia Terminal;

- D. the name of the LNG tankers that will be used to execute the import contract(s), indicating the number of landigs associated with each of them.
- E. the country belonging or not belonging to the European Union where the LNG was produced. In the case of LNG imports produced in countries belonging or not belonging to the European Union and if the import contract lasts more than one year, the applicant is required to certify that s/he has the import authorisation issued by the Ministry of Economic Development when the request is made.

The text for self-certifications is contained in document **CONTR_2014-15_GNL**, available under Business & Service – Thermal Year 2014/2015 – Capacity Booking and Transactions – Firm booking and capacity Transactions – Booking of Capacity for the Current Thermal Year.

When the request is presented, each applicant is required to provide authorisation to GNL Italia to report its name to other parties with a similar level of priority that requested one or more Cd units and/or fractions of a Cd unit coinciding with those indicated by the applicant, under penalty of inadmissibility, by filling out the **DATA COMMUNICATION AUTHORIZATION**, available under the Business & Service – Thermal year 2014/2015 – Capacity Booking and Transactions – Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year.

Booking of Regasification Capacity

Within the seventh business day of month M-1 based on the assigned priority set forth in paragraph 5.2 of Section 5 of the Regasification Code, GNL Italia will

- I. based on the requests regarding the volume capacity set forth in the previous point a),
 - A) for the months in which the process to associate the Cd with the distributed volume capacity was already executed,
 - A.1 assign the Cd units and/or fractions of Cd units requested by a single applicant;
 - A.2 report the Cd units and/or fractions of Cd units requested but assigned to another applicant with a higher priority and report any volume capacities involved in the reassignment process;
 - A.3 report to each applicant the Cd units and/or fraction of Cd units that he requested which will be the subject to reassignment since they were requested by several parties with the same priority level; GNL Italia will also report, for each of these Cd units and/or fraction of Cd units, the name of the other applicants;
 - B) for the months in which the process to associate the Cd to the distributed volume capacity was not already executed,
 - assign, with priority, the volume capacity set forth under letter a), point i) of Paragraph 5.1 of the Regasification Code;
 - assign the available volume capacity as per letter a) point ii) of the aforementioned paragraph 5.1 if the capacity set forth under the previous point is not sufficient to fully satisfy the requests.

If the total requests exceed the available volume capacity, GNL Italia shall assign this capacity according to the pro quota criterion based on the access priority set forth above.

The capacity thus assigned will be involved in the process of associating the Cd to the volume capacity distributed.

- II. based on the requests regarding the volume capacities set forth in the previous point b),
- assign the volume capacity available according to the pro quota criterion based on the access priority set forth above. The capacity assigned will be involved in the definition process;
- III. assign the landings, based on the number requested pending a control by GNL Italia that this number respects the restrictions set forth below:
- the number of landings, in line with the volume capacity requests, the regasification capacity already finalised in the previous booking processes, the size of the LNG tankers and the number of landings for each of them based on that indicated below for each applicant:

$$\sum_{i=1}^n N_i * Vn_i \leq V_{rich_contr}$$

where:

N_i the sum of the landing number requested per month and the number of landings already contracted for the same month, regarding size i LNG tankers;

Vn_i size of LNG tankers i ;

V_{rich_contr} sum of the requested volume capacity for the month and the already contracted volume capacity for the same month;

- number of landings less than or equal to the number of landings that can be made at the Terminal.

For each month in which the request does not comply with the aforementioned restrictions, GNL Italia will reduce the number of landings requested to the maximum number that can be requested, determined based on the restrictions themselves.

GNL Italia gives priority to the landings set forth under letter b), point i) of paragraph 5.1 of the Regasification Code following those made available under letter b), point ii) and finally those not used as per letter b), point iii) of the aforementioned paragraph 5.1. If the requests exceed the available number of landings overall, GNL Italia shall book these landings according to the pro quota criteria based on the access priority set forth above.

Reassignment

On the ninth business day of month M-1, at 10:00 am, the parties that received the notice from GNL Italia as per the previous points A.2 and A.3 are required to submit certifications, showing that they signed the form **ATTESTAZIONE_TITOLARITA'_RAPPRESENTANZA_2**, available under Business & Service – Thermal Year 2014/2015 – Capacity Booking and Transactions - Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year, to the GNL Italia offices, piazza Santa Barbara 7, San Donato Mil.se (MI) via their sole representative, duly empowered, in order to participate in the reassignment process.

The non-participation of the applicant will constitute a waiver of the booking request for the Cd unit and/or fractions of the Cd unit involved in the reassignment.

In terms of the reassignment process, a volume capacity exceeding the unfilled requests cannot be delivered to the applicants.

Phase 1 The parties set forth in the previous point A.3 have the right to participate in Phase 1.

The booking of the Cd units and/or the fractions of the Cd unit set forth under the aforementioned point A.3 is done for each month involved in the reassignment via:

1. the assignment to the sole applicant of the Cd units and/or fractions of Cd units, which are no longer the subject of multiple requests due to the waiver by the other applicants;
2. a draw if the Cd units and/or fractions of Cd units continue to be involved in multiple requests.

At the end of the draw, the volume capacities still available can be requested as part of the subsequent Phase 2 of the reassignment process.

If the applicant intends to waive the right, even partially, to Cd units and/or fractions of the Cd units set forth in the previous point A.3, the applicant has the option to report this prior to the start of the reassignment process.

Phase 2

The parties set forth in the previous point A.2 and A.3 whose requests were not fulfilled have the right to participate in Phase 2.

These parties must request the volume capacities available after Phase 1 of the reassignment process by filing out the electronic **MODULO_RICHIESTA_CAPACITA'**, specifying the months for which its use is requested and, if the process of associating the Cd with the distributed capacity volume was already done, the calendar dates associated with the requested capacity.

For the months in which the process of associating the Cd with the distributed volume capacity was already executed, GNL Italia will assign these Cd units and/or fractions of Cd units:

1. by assigning them to the sole applicant if the Cd units and/or fractions of Cd units are not involved in multiple requests;
2. based on the cited assignment priorities, if the Cd units and/or fractions of Cd units are involved in multiple requests;
3. with a draw, if the Cd units and/or fractions of Cd units are involved in multiple requests by several parties with the same level of priority.

For the months in which the process to associate the Cd with the distributed volume capacity was not already executed, GNL Italia will assign these capacities based on the booking criteria set forth under letter B) of the previous point 1.

At the end of the meeting, the participants will prepare and sign a report on the execution of the operations described above.

On the same day, GNL Italia will report the conferred volume capacity to the parties that participated in the reassignment process.

Definition of the Capacities Conferred (Art. 6, Paragraph 1, and Point b – Resolution 167/05)

By 12 p.m. on the fifth business day before month M, GNL Italia will report the calendar dates associated with the Cd units or fractions of Cd units involved in the capacity definition process to each party for whom the volume capacity set forth under point b) was assigned.

By 4 pm on the fifth business day before month M, each party that participates in the process to define assigned capacity must send GNL Italia the list of dates with which it requests the Cd units or fractions of Cd units of the assigned capacity be associated by filling out the electronic form **ASSOCIAZIONE_CD**, available under Business & Service – Thermal Year 2014/2015 – Booking and Capacity Transactions — Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year, under penalty of cancellation of the booked capacity as per the aforementioned point b).

By 6 pm of the fifth business day prior to month M, GNL Italia shall:

- i. associate the capacity assigned expressed in Cd units and/or fractions of Cd units with a calendar date in the month of M by assignment to a single applicant if the Cd units and/or fraction of the Cd units are not involved in multiple requests;
- ii. report the Cd units and/or fractions of Cd units that will be assigned through a draw if these Cd units and/or fractions of Cd units are involved in multiple requests.

On the fourth business day before month M at 2:30 pm, the parties that received the notice from GNL Italia as per the aforementioned point ii are required to submit certifications, showing that they signed the form **ATTESTAZIONE_TITOLARITA' RAPPRESENTANZA_3**, available under Business & Service – Thermal year 2014/2015 – Capacity Booking and Transactions - -Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year to the GNL Italia offices, piazza Santa Barbara 7, San Donato Mil.se (MI) via their sole representative, duly empowered, in order to participate in the assignment of the Cd units and/or fractions of Cd units through a draw.

The non-participation of the applicant will constitute a waiver of the assignment request for the Cd unit and/or fractions of the Cd unit involved in the draw.

The Cd units and/or fractions of Cd units still available at the end of the draw may be defined by the parties whose requests were not fulfilled.

If the Cd units and/or fractions of Cd units are still involved in multiple requests, another draw will be held.

At the end of the assigned capacity definition process, the applicant has the right to cancel – even partially – the Cd units and/or fractions of Cd units as defined by this process; subsequently, a report regarding the execution of the aforementioned transactions shall be prepared and signed by the participants.

On the same day, GNL Italia will report the outcome of the conferred capacity definition process to the parties that participated in the assignment of the Cd units and/or fractions of Cd units through the draw.

Signing a Regasification Contract

By the seventh business day before month M after the process of booking regasification capacity for the current Thermal Year, the applicant is required to report any regasification capacity commitments that it intends to subscribe within the volume capacity limits and landings conferred by sending GNL Italia the addendum to the Regasification Contract accompanied by any original copies of the bank guarantees based on what is set forth in paragraph 1 of Section 7 of the Regasification Code to fax number 02 3703 0339.

If the applicant does not yet have a Regasification Contract with GNL Italia S.p.A. with a service start date in Thermal Year 2013/2014, the applicant is required to sign the Regasification Contract accompanied by original copies of the bank guarantees and/or a copy of the credit rating based on what is set forth in Paragraph 1 of Section 7 of the Regasification Code by the seventh business day before month M.

We also require submission by the bank or Italian subsidiary/branch of foreign bank of a PEC (Certified e-mail) message certifying the emission of the above guarantee to the following PEC address: contratt@pec.gnlitalia.it.

The standard texts of the Regasification Contract addendum, the Regasification Contract and bank guarantees are contained respectively in the **ADDENDUM, CONTRATTO DI RIGASSIFICAZIONE, GUARANZIA_1_GNL, LETTERA_DI_GARANZIA_SOCIETARIA** and **GUARANZIA_2_GNL** documents, available under Business & Service – Thermal Year 2014/2015 – Capacity Booking and Transactions – Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year.

Only for the volume capacity set forth in point b) and the number of landings for this capacity, the Regasification Contract or the addendum to the existing Regasification Contract must be signed by the fourth business day before month M within the limits of the volume capacity and the landings assigned, and submitted with any original copies of the bank guarantees and/or copies of the credit rating set forth in paragraph 1 of Section 7 of the Regasification Code.

If the Regasification Contract, or the amendment to the existing Regasification Contract, is not signed by the applicant within the terms indicated above, the assignment will be cancelled.

If one or more applicants waives the capacity assigned in whole or in part, GNL Italia will offer these capacities during the subsequent booking processes.

In order to pick up the regasified LNG amounts at the Redelivery Points which are made available by the Operator pursuant to paragraph 1.2 of Section 19 of the Regasification Code, the User must be authorised to operate Snam Rete Gas' Virtual Trading Point for Thermal Year 2014/2015. The text of the declaration certifying the authorisation to operate Snam Rete Gas' Virtual Trading Point is available under Business & Service – Thermal Year 2014/2015 – Capacity Booking and Transactions – Capacity booking and transactions of continuous type – Regasification Capacity booking during the Thermal year.

GNL Italia will not sign the Regasification Contract and/or the addendum to the existing Regasification Contract with applicants that, by the signing date, have not paid for the current Regasification Contracts for the amounts billed and due that exceed the value of the bank guarantee issued to cover obligations deriving from the aforementioned current Regasification Contracts.