

GLOSSARY

This glossary presents some of the terms that recur more frequently in the Network Code (some of which are already defined within the Document itself when they are used for the first time)

Since, in the majority of cases, these terms are used with a specific meaning, depending on the specific topic discussed, it is appropriate to summarise them in this Attachment for the sake of clarity and ease of reading.

Definition	Description
<i>Allocation</i>	The process through which the Gas, measured at input into or off-take from the Transmission Network, is allocated to the various Shippers from an accounting viewpoint.
<i>Thermal Year</i>	Reference time period starting on 1 October of any year and ending on 30 of September of the following year.
<i>DMDU devices</i>	The devices that provide daily consumption data at the end of the day (DMDU = Daily Metered Daily Updated). This category corresponds to the one identified by the Leading Company with the acronym: MG
<i>DMMU devices</i>	Devices that provide daily consumption data, but only at month end. Such consumption data may be derived by plotting the scheme provided by the device (DMMU= Daily Metered Monthly Updated)
<i>DMMUC devices</i>	Devices for which daily consumption data is available, but only at month end. This consumption information may be obtained from the records of the flow computer installed (for instance, by using a printer) (DMMUC = Daily Metered Monthly Updated Computer).

Definition	Description
<i>NDM devices</i>	Devices that only provide monthly consumption data. They are volumetric meters without a flow computer that may be equipped with pressure and temperature graphic recorder (thermomonometer). (NDM= Non Daily Metered).
<i>Off-take Area</i>	Geographical areas in which the national territory supplied by the Transmission Network and the Leading Company is divided for tariff purposes.
<i>Homogeneous Area ("AOP")</i>	Each area of the national territory that is served by the Transmission Network and the Leading Company Network and is characterised by the quality consistency of the Gas flowing through it within a defined period of time.
<i>Available Transmission Capacity or Available Capacity</i>	The share of Transmission Capacity that has not been booked.
<i>Transmission Capacity</i>	The Transmission Capacity as defined in the Chapter on: "Transmission Capacity booking".
<i>Network Code</i>	This document, including all Attachments which form an integral and essential part of it.
<i>Booking</i>	The outcome of the transmission capacity booking process, which confirms the maximum quantity of Gas that each Shipper may input into or off-take from the Network, expressed as a daily volume measured under standard conditions.
<i>Transmission Contract or Contract</i>	The document whereby the Parties define the specific elements of the required transmission service, governed by the provisions of the Network Code.

Definition	Description
<i>Legislative Decree or Decree</i>	Legislative Decree No.164 of 23 May 2000, "Implementation of Directive 98/30/EC establishing common rules for the internal Natural Gas market" ("Attuazione della Direttiva 98/30/CE recante norme comuni per il mercato interno del gas naturale").
<i>Resolution</i>	Resolution No.137/02, "Adoption of guarantees for the free access to the Natural Gas transmission service of and of rules for the creation of Network Codes" ("Adozione di garanzie di libero accesso al servizio di trasporto del gas naturale e di norme per la predisposizione dei codici di rete").
<i>Resolution 120/01</i>	Resolution No120 of 30May 2001, "Criteria to determine the tariffs for the transmission and distribution of Natural Gas and the use of LNG terminals" ("Criteri per la determinazione delle tariffe per il trasporto e il dispacciamento del gas naturale e per l'utilizzo dei terminali di GNL").
<i>Relative Density</i>	The ratio between the density of Gas and that of dry air, both calculated under the same temperature and pressure conditions.
<i>Dispatching Centre</i>	The Transmission System Operator's operating unit that performs Gas transmission activities (as defined in Article 2 of the Legislative Decree) on the Transmission Network.
<i>Combustible Gas</i>	The Gas used to fuel compression stations.
<i>Gas or Natural Gas</i>	The mix of hydrocarbons, consisting mainly of methane and - to a less extent - ethane, propane and higher hydrocarbons. It can also include some inert gases, such as nitrogen and carbon dioxide. The Natural Gas is made available for transmission immediately after processing the Gas originating both from reservoirs

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	and/or LNG plants.
<i>Liquefied Natural Gas (LNG)</i>	The term means Natural Gas in a liquid state, at a temperature lower than or equal to the boiling point at a pressure of approximately 101.325 kPa.
<i>Gas-day</i>	The period of 24 consecutive hours, starting at 6am of each calendar day and ending at 6am of the following calendar day.
<i>GJ</i>	Giga Joule = 1,000,000,000 joules (see International System).
<i>Wobbe Index</i>	The ratio between the Gas Gross Calorific Value per unit of volume and the square root of its relative density under the same reference conditions.
<i>Reasonable and Prudent Operator</i>	This expression denotes a Party that is diligent in fulfilling its obligations and experienced operators performing the same type of activity, under the same or similar conditions, that normally use care, diligence, prudence and foresight in the execution of their duties, and consider the interests of the other Party.
<i>MG measurement</i>	PCS and volume measure provided on a daily basis, taken using automated facilities.
<i>NMG measurement</i>	PCS and volume measure whose value is only available at the end of a period of time longer than a day (usually on monthly basis), taken using traditional facilities. Such Gas-metering facilities may be: DMMUs, DMMUCs or NDMs.
<i>Party or Parties</i>	The term denotes Transmission System Operator and the Shipper, both individually and collectively .
<i>Peak Period</i>	Period of 6 (six) months from 1 November and 30 April

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	each year.
<i>Off -peak Period</i>	Period of 6 (six) months from 1 May and 31 October each year.
<i>PIG</i>	Devices used to check pipeline integrity, which travel through the pipeline as a result of the pressure difference generated upstream and downstream their transit. This type of devices allows the Transmission System Operator to performed a detailed "health check" on Network tranche inspected.
<i>Gross Calorific Value or PCS</i>	The quantity of energy produced by the full combustion of a unitary (mass or volume) quantity of gas under specific conditions, when the pressure is maintained constant and combustion products are brought back to the reactants' original temperature. The term Gross Calorific Value (PCS) refers to the total energy produced by the combustion, whilst the term Net Calorific Value refers to the total energy produced, less the energy required for the evaporation of water formed during combustion.
<i>Weather Emergency Procedure</i>	This is the "Emergency procedure to deal with Natural Gas supply shortages in case of adverse weather conditions" drawn up by the Gas system emergency and monitoring technical Committee and approved by the Ministry of Economic Development with Decree of 25 June 2004.
<i>Daily Programme or Daily Nominations</i>	The transmission programme provided by Shippers to the Transmission System Operator for each Gas-day, specifying the quantities to be input to and taken off from the Network.
<i>Delivery Point</i>	The physical point of the Network at which Gas is handed over from the Shipper to the Transmission System Operator and at which it is measured.

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<i>PCT or Delivery Point to Transmission System Operator</i>	The aggregate of several Delivery Point. This point may be: <ul style="list-style-type: none"> - an Entry Point on the Transmission Network; - a Leading Company's Delivery Point.
<i>Delivery Point from the Leading Company</i>	Aggregated interconnection physical points through which the Gas flows, virtually or physically, from the Leading Company's National Network to the Transmission Network.
<i>Entry Point on the Transmission Network or Entry Point RN</i>	Delivery Point on the National Network that belongs to the Transmission Network, or an aggregate of physical points of delivery as defined on the Transmission System Operator's website.
<i>Redelivery Point</i>	The physical point of the Transmission Network, or the local aggregate of physical points that are interconnected downstream, at which the Transmission System Operator hands over Gas to the Shipper and at which such Gas is measured, as detailed on the Transmission System Operator's website. This point may be: <ul style="list-style-type: none"> - a Delivery Point on RN, which means that it is a Redelivery Point to the Leading Company; - a delivery point on RR, which means that it is an Off-take Point at a Connected Operator.
<i>Redelivery Point to the Leading Company</i>	The aggregate of physical interconnection points through which the Gas flows, physically or virtually, from the Network to the Leading Company's Transmission Network.
<i>Dew point</i>	Temperature at which, for any given pressure, water starts to condense.

Definition	Description
<i>Hydrocarbons dew point</i>	Temperature at which, for a given pressure, hydrocarbons start to condense.
<i>Virtual Trading Point ("PSV")</i>	A virtual point, conceptually located between the Entry and the Exit Points of RN, at which Shippers that operate on the Leading Company's Transmission Network, can trade Gas input into the RN network on a daily basis.
<i>Exit Point or RN Exit Point</i>	Each virtual point (resulting from the aggregation of several off-takes) at the exit of the National Network towards the corresponding Withdrawal Area the storage hub or export interconnection points.
<i>Transmission Network</i>	The Network owned by the Transmission System Operator.
<i>Power generation plant refurbishment</i>	Operation on an existing facility aimed at to improving its energy and environmental performance by replacing, enhancing or completely re-building the components that, collectively, are equal to the greater share of investment costs needed to build a new plant of equivalent power.
<i>RN or National Network</i>	The National Gas Pipeline Network, as defined by the Decree of the Ministry of Industry, Commerce and Handicraft ("Ministero dell'industria, del commercio e dell'artigianato") of 22 of December 2000, published in Official Gazette ("Gazzetta Ufficiale") No. 18 of 23 January 2001 .
<i>RR or Regional Network</i>	The Regional Transmission Network, i.e. the set of Gas pipelines through which the transmission activity is performed pursuant to Article 2(1)(ii) of Legislative Decree No. 164/00, excluding the National Gas Pipeline Network.
<i>Sm³</i>	Standard cubic metre, i.e. one cubic metre of Gas under the reference conditions of 288.15 K (= 15 °C) and

Definition	Description
	101.325 kPa (= 1.01325 bar).
<i>Quality Requirements</i>	Technical specification of the chemical-physical characteristics and the presence of other components in Natural Gas
<i>Regasification terminal or Terminal</i>	It is the Exempted Terminal built and managed by the Società Terminale GNL Adriatico Srl.
<i>Exempted Terminal</i>	The Regasification Terminal for which an exemption to the Third Party access system pursuant to Law No. 239/04 was agreed before the Decree of 28 April 2006 - and for which contracts for the connection to the Transmission Network contracts have been signed.