

BUSINESS RULES

that are applied at Virtual Interconnection Point (VIP) «Ukraine-Poland» between Ukraine and Poland in accordance with Interconnection Agreements concluded with the operator of the adjacent GTS

1. Matching procedure

a) The Parties agree to distribute the roles in relation to the Verification Process (Matching) for the IP to the system of GAZ-SYSTEM/UA TSO regardless of the flow direction in such way:

- Matching gas transmission system operator: GTSOU,

- Initiating gas transmission system operator: GAZ-SYSTEM.

b) GAZ-SYSTEM sends DELORD with Processed quantities no later than 14:45 the day before, and UA TSO sends DELRES with Confirmed quantities within 45 minutes.

c) In case of Renomations GAZ-SYSTEM sends DELORD to GTSOU not later than $H0 + 30$ min (thus Renomations come into force not earlier than $H0 + 2$ hours), where $H0$ means full hour (from 16:00, D-1 till 03:00 in the morning, day D) when the Renomination was received. UA TSO sends DELRES no later than $H0 + 1$ hour.

d) The main units for submitting nominations, in matching procedures, are energy units expressed in kWh. To convert the volumetric units into energy units, the nomination procedure will use the predicted value of the Gross Calorific Value (GCV), which is equal to the actual value of GCV for the gas day D-2.

e) Until there is a new Renomination, no additional message should be sent.

f) If GAZ-SYSTEM does not issue a DELORD message, GTSOU calls GAZ-SYSTEM to clarify the problem. If the problem cannot be resolved, the last Confirmed quantities from the previous Matching Cycle for a given gas day for each pair of Shipper Codes will be considered as Processed quantities in DELORD GAZ-SYSTEM. If GAZ-SYSTEM has not issued any DELORD for a given gas day, quantity 0 (zero) will be considered as Processed quantity in DELORD GAZ-SYSTEM.

g) If GAZ-SYSTEM sends DELORD and GTSOU does not issue DELRES, GAZ-SYSTEM calls OGTSU to clarify the problem. If the problem cannot be resolved, the last Confirmed quantities from the previous Matching Cycle for that gas day shall apply. If this is the first Matching Cycle for a given gas day, the Confirmed quantity shall be 0 (zero).

h) If the Parties detect any differences in Processed quantities in their respective systems for Interconnection Points to the systems of GAZ-SYSTEM/UA TSO, the lesser rule shall apply, i.e. in case of different Processed quantities for a given pair of Shipper Codes on either side of Interconnection Points to the systems of GAZ-SYSTEM/UA TSO, the confirmed quantity for this pair of Shipper Codes will be equal to the smaller of the two Processed quantities. In case of different direction of the Processed quantity for a given pair of Shipper Codes, the Confirmed quantity for this pair of Shipper Codes (as a result of the lesser rule) is 0 (zero).

i) If the pair of Shipper codes provided in DELORD is not valid in the system of GTSOU, the Confirmed quantity for this pair of Shipper codes as a result of the lesser rule is zero (0).

j) If it is not possible to exchange data during the Matching Procedure using the Edig@s format, such information should be sent by e-mail.

k) Detailed provisions on symbols and codes used in the Edig@s format shall be agreed between the Parties in the prescribed manner.

2. Allocation procedure

l) The parties agreed that allocated quantity is equal to the Confirmed quantity. The basic units for allocation procedure are energy units expressed in kWh. To convert volumetric units into energy units for allocation purposes, the actual GCV value for gas day D shall be used.

m) OBA is used to record the differences that occur between the sum of the confirmed quantities and the measured quantities for the relevant period. OBA is expressed in kWh. The actual GCV value for gas day D will be used to convert m³ into kWh for allocation purposes..

3. Communication procedure in case of emergency

n) In the event when a failure, emergency situation or other contingency occurs in the territory of either Party and may affect the flow of Natural gas through the IP to the system of GAZ-SYSTEM/UA TSO, the relevant dispatch center is obliged to notify immediately the other Party by phone of such situation and to provide following information:

- cause of the emergency or other contingency situation;
- impact of such occurrence on the quantity of Natural gas to be transported through the border station, and the expected pressure level for such border station;
- the possible impact on the Confirmed quantities of Shippers that are active at the IP to the system of GAZ-SYSTEM/UA TSO;
- expected duration of the failure, emergency or contingency situation, including the estimated time of its removal.

Further information shall be confirmed in writing by e-mail.

o) The Parties shall immediately inform each other by phone of:

- any change in the agreed or carried out maintenance works;
- completion dates or times for maintenance works and contingency situations in the transmission system of either Party, which resulted in the restriction of transmission capacity through the IP to the system of GAZ-SYSTEM/UA TSO;
- any connections along cross-border pipeline sections that may affect the transmission of Natural gas through the border stations;
- any change in the quality parameters of the Natural gas flowing towards the border station.

Such information shall be confirmed in writing by email.

p) The dispatch services shall inform each other on the progress of the ongoing maintenance works and steps taken in order to remove a failure, emergency or contingency situation at least every four hours, or more frequently in exceptional situations on request of the other Party.