

Products and Fees

Article 1 Storage Capacities

EGD offers the following Storage Products:

- ***Bundled Storage Capacities, firm***
- ***Unbundled Storage Capacities, firm***
- ***Unbundled Storage Capacities, interruptible***

Bundled Storage Capacities are only available as firm Storage Capacities. Unbundled Storage Capacities are available as firm and interruptible Storage Capacities. Potential Storage Customers who have made Binding Storage Service Requests for firm storage capacities and wish to book interruptible storage capacities shall have priority over potential Storage Customers who make Binding Storage Service Requests for interruptible storage capacities only.

a) Bundled Storage Capacities

EGD offers Storage Bundles in which the ratio of the three components relative to one another is fixed and predefined as follows:

- Maximum injection rate 22,500 kWh/h
- Maximum withdrawal rate 39,375 kWh/h
- Working gas capacity 20.196 GWh

Storage Bundles can only be booked on a firm basis.

b) Unbundled Storage Capacities, firm and interruptible

Unbundled Storage Capacities are available as firm and interruptible Storage Capacities and each of the three components (injection rate, withdrawal rate and working gas volume) is made available separately.

Article 2 Fees

Remuneration for the Storage Capacities is composed of:

- a storage fee for providing Storage Capacities to the Storage Customer as further specified in lit. a) below;
- a variable fee corresponding to the operating costs for the actual injection as further specified in lit. b) below;
- an annual System Service Fee as further specified in lit. c) below.

a) Storage fee for annual products

(aa) Basic storage fee

	Product	Basic Fee for annual Storage fee (base year 2019/2020)	Units
1	Storage Bundle, firm - 1 SBU (<i>Storage Bundle Unit</i>)	131,170.43 (S ₀)	€ per Storage Year
2	Unbundled Storage Capacity, firm - <i>Injection rate</i> - <i>Withdrawal rate</i> - <i>Working gas volume</i>	3,031.50 1,125.98 2,530.56	€/MWh/h/year €/MWh/h/year €/GWh/year
3	Unbundled Storage Capacity, interruptible - <i>Injection rate</i> - <i>Withdrawal rate</i> - <i>Working gas volume</i>	1,515.75 562.99 1,265.28	€/MWh/h/year €/MWh/h/year €/GWh/year

The prices for Storage Bundles (Product no. 1) break down as follows: 26% of the price is for the withdrawal rate, 40% for the injection rate and 34% for the working gas volume.

The prices for firm Unbundled Storage Capacities (Product no. 2) are derived from the Storage Bundles prices by applying a 15% surcharge for the working gas volume and a 30% surcharge for injection and withdrawal rate.

The prices for interruptible Unbundled Storage Capacities (Product no. 3) are 50% of the prices for firm Unbundled Storage Capacities.

The Storage fees are – subject to any reductions pursuant to § 13 of the GTCSS - lump sum prices on an annual basis which can, however, be converted into hourly fees as is provided for in § 13 of the GTCSS. EGD shall invoice one twelfth (1/12) of

the annual lump sum Storage fees on a monthly basis. Where the Storage Contract has a Contract Term of less than 12 months or where the first or the last year of a Storage Contract's Term does not comprise a full Storage Year, the Storage fee payable for these periods is to be calculated *pro rata temporis* (based on 365 days / Storage Year) as is further detailed in lit. e) below.

The annual lump sum Storage fee shall be paid by the Storage Customer to EGD irrespective of the Storage Capacities actually used; those are reflected in the variable fee, cf. lit. c) below.

(bb) Adjustment of the storage fee for multi-year products

1. Indexation of storage fee

The fees quoted in Article 2 (a) (aa) of this Annex III are for the Storage Year 2019/2020. In the case of longer dated products, the fees are modified annually with effect from the beginning of the storage year according to the following formula:

$$S_n = S_0 \cdot \left(0.80 + 0.15 \cdot \frac{I_n}{I_0} + 0.05 \cdot \frac{V_n}{V_0} \right)$$

S_n: Annual storage fee payable by the storage customer for the respective storage.

S₀: Basic fee for the annual storage fee agreed in the storage contract.

I_n: Average annual value of the Capital Goods Price Index in the calendar year preceding the particular new Storage Year. The Capital Goods Price Index is published in Subject-Series 17 "Prices" of the German Federal Statistical Office; Series 2 "Index der Erzeugerpreise gewerblicher Produkte (Inlandsabsatz)" (Producer Price Index (domestic sales): "Gewerbliche Erzeugnisse insgesamt" (2015=100)).

I₀: Value of index for calendar year 2018

V_n: Average annual value of the Consumer Price Index in the calendar year preceding the particular new Storage Year. The Consumer Price Index is published in Subject-Series 17 "Prices" of the German Federal Statistical Office; Series 7 "Verbraucherpreisindizes für Deutschland" (Consumer Price Index for Germany) (2015=100)

V₀: Value of index for calendar year 2018

2. Increase of storage fee due to changed market circumstances

In addition, EGD is entitled to increase the storage fee (as applicable from time to time pursuant to Article 2 a) (aa) in connection with (bb) no.1) with effect from the beginning of the following Storage Year according to the formula in the table below, if the quotations of the Summer/Winter spread for the next Storage Year (“SW Spread”) on the Title Transfer Facility natural gas virtual trading point in the Netherlands (“TTF”) register an increase exceeding 6.23 €/MWh.

This increase due to changed market circumstances (market recovery) is a one-time adjustment that cannot exceed 10% as described in the table below.

To this end the SW Spread is determined in an index period beginning on 1 September and ending on 30 November (“Determination Period”). The spread is determined in accordance with the following formula for each day of the Determination Period for which the required forward quotations at the TTF are published in ICIS European Spot Gas Markets (ESGM):

$$SW\ Spread(d) = Absolute\ value\ of\ [(Bid\ TTF\ winter(d) + Offer\ TTF\ winter(d))/2 - (Bid\ TTF\ summer(d) + Offer\ TTF\ summer(d))/2]$$

Whereas “(d)” refers to every relevant day on which respective quotations are published in ICIS European Spot Gas Markets (ESGM) in the Determination Period (“Day”).

From the sum of the SW spreads determined each Day, the rounded average is then calculated and constitutes the SW Spread.

$$SW\ Spread = \frac{\sum_{d=1/9}^{30/11} SW\ Spread\ (d)}{\sum d}$$

	Increase of storage fees (as applicable from time to time pursuant to Article 2 a) (aa) in connection with bb) no.1)
SW Spread ≤ 6.23 €/MWh	0%
SW Spread > 6.23 €/MWh	+10%

b) Variable fee (V)

1. Variable fee based on Operating Costs

The variable fee (V) payable by the Storage Customer corresponds to the operating costs incurred by EGD in connection with the actual injections made upon request of the Storage Customer in accordance with the provisions of the Storage Contract (“**Operating Costs**”); the Operating Costs refer only to costs for electricity

consumption (based on the data available for each period of injection).

The variable fee for a certain Storage Year, based on the Operating Costs as set out above, is determined as set out in sec. 3 herein below.

2. Advance Payment on variable fee

The Storage Customer has to make monthly advance payments on the variable fee as follows.

The advance payment on the variable fee for the Storage Year 2021/2022 is calculated on the basis of the following table:

Range ("i")	Firm Working gas Filling level (%)	Injection Costs (€/MWh)
1	>= 0 and <30	0.20
2	>= 30 and <55	0.36
3	>= 55 and <75	0.48
4	>= 75 and <90	0.64
5	>90	0.90

EGD determines the filling level every day taking into account the Storage Customer's working gas account of the day before. The Injection Costs will be calculated accordingly on a daily basis.

Each month, EGD will charge the Storage Customer the monthly advance on the variable fee in accordance with the following formula:

$$V = \sum_{i=1}^5 (IC_i * q_i)$$

Where:

V: Monthly advance on variable fee in €

IC_i: The Injection Cost relative to the Range "i" of the relative filling level according to the Table above in this article

q_i: The Injected Quantities (in MWh) for the Storage Customer during a Storage Month

Example: if the Storage Customer injects during a certain month 100 MWh when the filling level is in the 2nd range and 200 MWh when the filling level is in the 3rd range, he will have to pay the following advance:

$$0.36 \times 100 + 0.48 \times 200 = 132 \text{ €}$$

3. Annual reconciliation

Within three months after the end of the respective Storage Year (1st April, 6 a.m.) or the contractual term if ending during a Storage Year, EGD shall provide the Storage Customer with the Operating Costs. In case the Operating Costs are higher (resp. lower) than what has been already invoiced by EGD as advance according to sec. 2 above ("**Total Advance**"), EGD shall issue a final invoice (resp. a credit note) to the Storage Customer corresponding to the difference between the Operating Costs and the Total Advance. The difference shall be settled within 30 Working Days after issuance of the invoice (resp. credit note).

4. Adaptation of the Injection Costs in following storage years

For Storage Years following Storage Year 2021/2022, the Injection Costs set out in the table under sec. 2 above shall be multiplied by (G_n/G_{2020})

Where:

G_n : *the producer price index for industrial products in the energy supply sector published by the Statistisches Bundesamt (Federal Statistical Office) (available at www.destatis.de, GENESIS Online, statistics code 61241-0001 GP09-351) for the full calendar year preceding the particular new Storage Year.*

G_{2020} : *the producer price index for industrial products in the energy supply sector published by the Statistisches Bundesamt (Federal Statistical Office) (available at www.destatis.de, GENESIS Online, statistics code 61241-0001 GP09-351) for the full calendar year 2020.*

On annual basis EGD shall assess whether a revision of the injection costs table as set under Annex III, 2b),2) shall apply, based on a specific analysis of actual costs of the relevant Storage Year. The revision proposal, if any, shall be submitted to the Storage Customer for review. Such proposal will be deemed denied by the Storage Customer unless he formally accepts it within 15 days after communication of the proposal by EGD. If the proposal is rejected or deemed rejected by the Storage Customer Annex III, art.2, b) items 2) and 4) shall apply without modification.

This calculation is made 2 months after the end of December and the new Injection Costs (for each Range) will be communicated to the Storage Customer.

c) System Service Fee (En)

A System Service Fee shall also be payable by the Storage Customer which includes the implementation of the Storage Customer in the EGD IT systems, the receipt and verification of nominations, the conducting of a Working Gas Account and the

invoicing.

The System Service Fee is an annual lump sum of 30.000 € per Storage Year. The System Services Fee shall be invoiced one twelfth (1/12) of the annual lump sum for the System Service Fee on a monthly basis. Lit. e) applies accordingly for short term Storage Contracts or long term Storage Contracts where the first or the last year of a Storage Contract's Contract Term does not comprise a full Storage Year.

d) Storage fees for short term Storage Contracts and long term Storage Contracts starting and/or ending not at the beginning of a Storage Year

Where a Storage Contract has a Contract Term of less than 12 months or where the first or the last year of a Storage Contract's Contract Term does not comprise a full Storage Year, the Storage Fee payable for these periods is to be calculated *pro rata temporis* (based on 365 days/Storage Year) according to the following formula:

$$\text{Storage fee} = \frac{365 - \text{days off line}}{365} \cdot \text{Annual Storage fee}$$

The "days off line" are defined as the days within a Storage Year for which no Storage Contract exists.

The same shall apply with respect to the System Service Fee. But, for the avoidance of doubt, it does not apply to the variable fee set out under lit. c) above.

Article 3 Penalties

As provided in § 7 (2) of the GTCSS, the Storage Customer shall pay the following penalties as of the end of the Contract Term if the Storage Customer has not reduced its Working Gas Account balance to "nil" (0) by the end of the Contract Term:

For every Day on which Working Gas of the (former) Storage Customer remains in the Storage Facility, the former Storage Customer shall pay to EGD an amount corresponding to twice the storage fee payable for Working Gas Capacity for firm Unbundled Storage Capacities (cf. Product no. 2 under Article 2 a) (aa) above) which would be due for the respective Working Gas left in the Storage Facility, calculated pro rata the Days until the respective Working Gas has been withdrawn.
