



**CONDITIONS OF RWE GAS STORAGE CZ, s.r.o.
ELECTRONIC TENDER
FOR MONTHLY FIRM STORAGE CAPACITY**

DATE OF TENDER: **August 25, 2020**

OFFERED CAPACITY: **100 000 MWh**

STORAGE PERIOD: **September 1, 2020 - March 31, 2021**

A. Minimum unit price for storage capacity for storage period¹

139 CZK / MWh of working gas volume / **the period offered (from September 1, 2020 till March 31, 2021)**

This price doesn't include VAT which will be added to the storage price in the amount applicable in the Czech Republic.

B. Date of tender and length of the auction round

August 25, 2020, start at **10:00 AM** CET.

Length of the tender round is 5 minutes. Length of the break between rounds is 2 minutes.

Timetable	Deadline
Auction system registration	by August 21, 2020
Financial security deposited or bank guarantee submitted	by August 24, 2020
Electronic affirmation of the fulfillment of the conditions for tender participation	by August 25, 2020
Tender	August 25, 2020
Tender results confirmation	by August 26, 2020

C. The total storage capacity on offer for the whole duration of the contract:

- Working gas volume: **100 000 MWh**
- Maximum withdrawal rate: **1 760 MWh/day**
- Maximum injection rate: **6 500 MWh/day**

In case that Storage user will book lower than total offered storage capacity, injection and withdrawal rates will be booked proportionally.

D. Price increment per unit of storage capacity between tender rounds

4 CZK/MWh

Storage capacity allocation mechanism in electronic tender is determined by Decree No. 349/2015 Coll. Gas Market Rules.

¹ This price can be changed according to Decree No. 349/2015 Coll. (Gas Market Rules)

E. Effective duration of the contract

The contract duration in the tender is set to:

7 storage months (from September 1, 2020, 6:00 CET until April 1, 2021, 6:00 CET).

F. The amount of additional storage capacity² which can be activated

At maximum 25% from total storage capacity on offer.

G. Standard contract for gas storage

Standard contract is included in the **Annex No. 1** of the conditions and constitutes an integral part of these conditions.

H. Procedure for the deposit of the financial security

- The Applicant may fill in the request for storage capacity at most up to the amount of the deposited financial security.
- The maximum amount of the financial security (if the Applicant decides to request 100% of the offered storage capacity) is **750 000 CZK**.
- If the Applicant deposits a lower amount, he will be able to request corresponding proportion of the offered storage capacity in the first round (if he deposits 50% of the maximum amount of financial security, will be able to submit a request for up to 50% offered storage capacity).
- The Applicant deposits a financial security in the Storage Operator's account by the term set in item B. of this Tender Conditions.
- Numbers of accounts in which the financial security will be deposited are (BIC/Swift code CEKOCZPP):
 - a. **in CZK: 17805243/0300, IBAN: CZ 90 0300 0000 0000 1780 5243** or
 - b. **in EUR: 1752810017805243/0300, IBAN: CZ 63 0300 1752 8100 1780 5243**, the accounts have been opened at ČSOB, a.s., Radlická 333/150, 150 57 Praha 5.

In order to identify the payment the Applicants complete the **variable symbol** box with their **identification number** (IC), provided they have been assigned one; otherwise they indicate the last 9 digits of their telephone number stated in the Auction system.

- **The exchange rate used for conversion of EUR into CZK** shall be the average exchange rate for II.Q 2020 officially published by the Czech National Bank on its website³, i.e. **27,054 CZK/EUR**.

² According to Decree No. 349/2015 Coll. (Gas Market Rules) Section 52(6)(b)

³ http://www.cnb.cz/en/financial_markets/foreign_exchange_market/exchange_rate_fixing/currency_average.jsp?code=EUR

- Based on the financial security deposited in the Storage Operator's account the Applicant will receive confirmation (to their email address stated in the Auction system) of the amount of the deposited financial security.
 - By duly depositing the financial security the registered Applicant becomes an active applicant / participant in the tender.
 - If the financial security is returned pursuant to the Storage Code, it will be credited to the Applicant's account from which it had been paid and that in the same amount as deposited before the tender.
 - The obligation to provide financial security may be also fulfilled by submitting an irrevocable and unconditional bank guarantee issued in accordance with Storage Code and in the case that the issuing bank complies to the terms of financial credibility as specified in Annex No. 1 of the Storage Code.
 - Applicant cannot participate in the tender, if there is an insolvency proceedings against him according to the Act No. 182/2006 Coll. (Insolvency Act), and if the Storage Operator decides otherwise.
- I. Method for calculating the storage capacity booking cancellation penalty
The cancellation penalty will be calculated according §53 paragraph 6. of the Market Rules as corresponding proportion of the confirmed booked storage capacity in relation to the total storage capacity on offer and is payable and is payable within 3 working days after the deadline for signing the contract by crediting the deposited financial security or its part. Maximal amount of the cancellation penalty is in the amount of the financial security deposited to the Storage Operator's account as per Section H. The Storage Operator will not return the deposited financial security or its part if the storage contract is not signed in order to pay the penalty for cancellation of the booked storage capacity.
- J. Electronic communication and an alternative way of communication in the tender
- The tender takes place via a secured web interface which can be accessed from the website of RWE Gas Storage CZ, s.r.o. (hereinafter also referred to as the "Storage Operator") - www.rwe-gasstorage.com.
 - The Applicant who is interested in participating in the tender is obliged to register in the Auction system by date specified in the Timetable in item B. of these Conditions and at the latest before the tender affirm (via an electronic agreement in the tender application) that he/she fulfils the conditions for participation in the tender.
 - The Storage Operator will send access information to Applicants not registered in the Auction system of the Storage Operator that fill in the registration form (by the date mentioned in item B. of these Conditions, which is available on the website of the Storage Operator.
 - Applicant may participate in the electronic tender only after the Storage Operator approves his/her registration and after the financial security has been deposited (see item H. of these Conditions).
 - In the event the electronic communication fails on the Applicant's part during the tender process, e-mail communication is the alternative method for filing requests (e-mail: gs.aukce@rwe.com). The e-mail has to include:

- a. Applicant's identification (company name / name and surname, company identification number, address of the seat / permanent address, phone number and email address of the authorized / contact person),
- b. the exact identification of the tender and the number of the tender round for which the request is filed,
- c. the amount of requested storage capacity in MWh for each offered month in the relevant tender round.

If alternative communication is used the Storage Operator has to be notified via phone on **+420 267 974 444**. If the Applicant uses an alternative communication method the Storage Operator can interrupt the tender round for a time necessarily needed for filing such request into the application.

The tender conditions are conformable with Market Model Decree as amended. This Decree and the Storage Code regulate procedure for holding a tender. These documents are available on the website of the Storage Operator (www.rwe-gasstorage.com).

Should the Storage Operator publish more than one language version of these conditions, the Czech version shall be the governing version and should a conflict between the Czech and foreign language version arise, the Czech version shall supersede the foreign language versions which are only informative.