

Technical Rule no. 07 rev.06 PAR

(pursuant to Article 4 of the Regulation of the Platform for the Allocation of Regasification Capacity, approved by Autorità di Regolazione per Energia Reti e Ambiente with Resolution 111/2018/R/gas)

Title	Submission of offers and allocation requests
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Reference Legislation	Article 22, paragraph 22.6, Article 30, paragraph 30.1, Article 35, paragraph 35.3, Article 37, paragraph 37.1 Article 41, paragraph 41.1 and Article 47, paragraph 47.4, Article 49, paragraph 49.1, Article 54, paragraph 54.1, Article 60, paragraph 60.4, Article 62, paragraph 62.1, Article 68, paragraph 68.1 and Article 74, paragraph 74.4 of the Regulation
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1. Foreword

Article 22, paragraph 22.6, of the Regulation sets forth that the minimum negotiable quantity for each product, in each book, is indicated in the Technical Rules.

Article 30, paragraph 30.1, Article 41, paragraph 41.1, Article 54, paragraph 54.1 and Article 68, paragraph 68.1 of the Regulation, provide that the purchase offers relating to each product for the allocation of capacity during the thermal year for the ADRIATIC LNG segment, the OLT segment, the GNL Italia segment and the FSRU ITALIA segment, or the offers relating to each product for thermal year residual capacity allocation regarding the OLT, GNL Italia and the FSRU ITALIA segments, shall be submitted during the trading session according to the modalities and within the terms defined in the Technical Rules, with at least the following information: a) identification code of the participant submitting the offer; b) identification code of the PAR session for which the offer is submitted; c) number of slots; d) unit price.

Article 35, paragraph 35.3, Article 47, para. 47.4, Article 60, paragraph 60.4 and Article 74, paragraph 74.4 of the Regulation, respectively for the ADRIATIC LNG segment, the OLT segment, the GNL Italia segment and the FSRU ITALIA segment, provide that requests for capacity allocation no longer available in the auction shall be submitted by the participants in accordance with the procedures defined in the Technical Rules.

Article 37, paragraph 37.1 of the Regulation, in relation to the OLT segment, provides that the purchase offers for the allocation of annual and multi-annual capacity shall be submitted during the trading session according to the terms defined in the Technical Rules, with at least the following information: a) identification code of the participant submitting the offer; b) identification code of the PAR session for which the offer is submitted; c) requested capacity at the reserve price (P) and/or (R); d) requested capacity at each low price step and for each high price step.

Article 49, paragraph 49.1 and Article 62, paragraph 62.1 of the Regulation provide that the purchase offers of annual and multi-annual capacity, respectively on the GNL Italia segment and

on the FSRU ITALIA segment, must be submitted during the trading session according to the procedures defined in the Technical Rules, with the indication of at least the following information:

a) ID code of the participant submitting the purchase offer; b) ID code of the PAR session for which the purchase offer is submitted; c) slot number at the reserve price (P) and/or (R); d) slot number at each low price step and for each high price step.

2. Submission of offers

Offers relating to a product tradable in each PAR segment, may be submitted by the users designated by the participants to submit offers in possession of the *ID* and *password* credentials to access the PAR information system, issued by GME.

Submission, modification or cancellation of offers shall be made, during the session for the submission of offers by filling in the specific forms (*web forms*) available on the PAR information system.

For each product tradable in each PAR segment, the participant can submit:

- with reference to the auctions relating to the allocation of capacity during the thermal year, offers concerning an overall number of slots not below one and not exceeding the number of slots available for allocation;
- with reference to auctions relating to thermal year residual capacity allocation, offers for a total amount of slots not below one and not exceeding the number of slots available for allocation in each of the months forming the product subject to allocation¹.
- with reference to the auctions relating to the allocation of annual and multi-annual capacity, offer where a specific number² of slots is indicated for each price level (hereinafter referred to as purchase proposals). The number of purchase proposals

¹ Ex: The regassification undertaking intends to allocate 3 discharge slots for each month up until the end of the thermal year (in the example, the residual product thermal year is formed of 8 months). If the participant were to indicate an amount equal to n.1 slot, it would imply a bid equal to n. 8 slots (namely n.1 slot for each of the 8 months), being therefore equal to 1 residual product in thermal year. If the participant indicates an amount equal to n.2 slots, it would imply a bid equal to n.16 slots (namely n.2 slots for each of the 8 months), being therefore equal to 2 residual products in thermal year.

may not exceed the price levels³ steps indicated on the relevant PAR book. The number of slots indicated for the individual purchase orders must not exceed the number of slots being allocated and, in any case, must be non-increasing as the corresponding price levels increase. It is understood that:

- if a participant does not submit purchase proposals (i.e. he/she does not indicate any amount) at price levels, between two price levels for which he/she has submitted purchase proposals, the same amount indicated by the participant for the highest price levels will be associated with such price levels;
- if a participant does not submit purchase proposals (i.e. he/she does not indicate any amount) at price levels subsequent to those for which he/she has submitted purchase proposals, a zero amount will be associated to these price levels.

For annual and multi-annual capacity allocations with expression of interest by the OLT segment, unlike the above for the remaining annual and multi-annual capacity allocations on the PAR, the participant may submit a single purchase offer where a certain number of slots is indicated (hereinafter referred to as purchase proposals). The number of purchase proposals cannot exceed the price levels⁴ indicated on the related PAR book. The number of slots indicated for the individual purchase proposals must not exceed the number of slots available for allocation for each of the years making up the multi-annual product being allocated⁵ and, in any case, not increasing as the corresponding price levels increase. It is understood that:

- if a participant fails to submit purchase proposals (i.e. fails to indicate any amount) at price levels, between two price levels for which he/she has instead submitted purchase proposals, at these price levels is associated the same amount submitted by the participant for the highest price level;

³ Price level shall mean the reserve price (P) or reserve price (S), or each of the price level calculated as the sum of the reserve price and of the high price steps or of the low price steps (see Technical Rules no. 10 PAR) ,

⁴ Price level shall mean the reserve price (P) or the reserve price (S), i.e. each of the price levels calculated as the sum of the reserve price and the high price steps or the low price steps (see Technical Rule no. 10 PAR).

⁵ Ex: the regasification company wishes to allocate 3 unloading slots for each of the 2 thermal years included in the product being allocated. If the participant indicates an amount of 1 slot, this makes up an overall purchase offer of 2 slots (i.e. 1 slots * for each of the two years). If participant indicates an amount of 2 slots, this makes up an overall purchase offer of 4 slots (i.e. 2 slots * for each of the two years).

- if a participant fails to submit purchase proposals (i.e. fails to indicate any amount) at price levels subsequent to those for which he/she has instead submitted purchase proposals, a zero amount is associated with these price levels.

3. Submission of allocation requests

Allocation requests relating to a product that can be allocated according to the *first come first served* principle, may be submitted by the users designated by the participant to submit offers pursuant to the PAR Regulation, in possession of the *ID* and *password* credentials to access the PAR information system, issued by GME.

The submission of the allocation request shall be made during the time window indicated on the PAR, by filling in the appropriate forms (*web forms*) available there.

Once submitted, the requests may not be subsequently modified or canceled.