President of the ERO approved the Storage Code version 001

Gas Storage Poland sp. z o. o. ("GSP") informs that <u>by a decision of 17 October 2023</u> the President of the Energy Regulatory Office (the "ERO President") approved the **Storage Code Version 001** (the "Storage Code"). <u>The Storage Code is available on the GSP's website</u>.

The Storage Code comes into force on 6 November 2023 at 06:00 hours.

Upon coming into force, the Storage Code replaces the previously applicable Storage Service Rules of 1 April 2022 version 004, as amended (the "Rules").

The Storage Code upholds the principal terms and procedures concerning the conclusion and performance of contracts for the provision of gaseous fuel storage services (the "SSA") as well as the allocation of storage capacity, which were previously regulated in the Rules, subject to modifications incorporating the comments submitted by market participants during the consultation process as well as the expectations expressed by the ERO President during the Storage Code approval procedure.

The GSP's obligation draw up the Storage Code and submit it to the ERO President for approval results from Article 9g(1) and (3a) of the Energy Law Act (for consolidated text see: Journal of Laws of 2022, item 1385, as amended). – the "Energy Law Act" or the "ELA") according to the wording introduced by the Act of 20 May 2021 amending the Energy Law Act and certain other acts (Journal of Laws item 1093, as amended – "ELA Amendment") which took effect on 3 July 2021.

In accordance with the provisions of Article 9g of the ELA and Article 17 of the ELA Amendment, GSP:

- has drafted and published the draft of the Storage Code on its website, and submitted it to public consultation;
- following the consultation, prepared a draft Storage Code incorporating the changes resulting
 from the comments made and accepted by GSP in the course of the consultation, together
 with a compilation of general and specific comments from market participants with respect to
 the draft Storage Code submitted to the consultation. The documents are available on the
 GSP's website.
- in a letter dated 31 March 2022, applied to the ERO President for approval of the Storage Code.

Structure of the Storage Code

The Storage Code has been drafted by GSP taking specifically into account the legal requirements for the provision of gaseous fuel storage services and the performance of the storage system operator (the "SSO") of its function, resulting from:

- the Energy Law Act and the related secondary legislation;
- the Stockpiling Act and the related secondary legislation;
- Regulation (EC) No 715/2009;
- REMIT Regulation;
- Implementing Regulation of the Commission (EU) No 1348/2014;
- the Transmission Network Code (TNC).

In accordance with Article 9g(3a) of the ELA, the Storage Code sets out the detailed conditions for the use of storage facilities by system users, and the conditions and manner of the operation and planning for the expansion of storage facilities in respect of which GSP acts as the SSO, including in particular:

- the procedure for concluding storage services agreements;
- the procedures for offering and allocating storage capacity;
- the methods of the management of gas system congestion;
- the safety criteria applicable to the operation of facilities;
- the procedure applicable in the event of a threat to the security of supply of gaseous fuels;
- the procedures applicable in case of a an emergency;
- the conditions for cooperation between the storage system operator and the operators of other gas systems;
- the procedures for the exchange of information between system operators, and between the storage system operator and customers;
- the quality specifications of gaseous fuels and the standards of service for gas system users;
- the characteristics of services with regard to the injection of gaseous fuels into storage facilities or groups of such facilities;
- the characteristics of services with regard to the withdrawal of gaseous fuels from storage facilities or groups of such facilities.

The Storage Code covers the scope required under Article 9g(3a) of the ELA and is divided into three parts:

Part I – General provisions,

Part II – Rules for the use of Storage Facilities,

Part III - Final provisions.

Part I of the Storage Code includes:

Chapter 1 – General provisions concerning the Storage Code – contains definitions used in the Storage Code and general information concerning the document, including, *inter alia*, the scope and legal basis of the Storage Code, rules for the entry into force of the Storage Code, the procedure for amending the Storage Code, the SSO's disclosure obligations and a list of related documents used by the SSO in the provision of the gas storage service. Documents related to the Storage Code shall be published on the SSO's website.

Part II of the Storage Code concerns the use of storage facilities and includes the following chapters:

Chapter 2 – Characteristics of the Storage Services including services related to the injection and withdrawal of Gaseous Fuel

Chapter 3 – Procedures for the conclusion of Storage Services Agreements and rules of Storage Capacity allocation

- Chapter 4 Performance of the SSA. Expiry and termination of the SSA
- Chapter 5 Correspondence, information exchange and customer service standards
- Chapter 6 Rules concerning the cooperation and exchange of information between the SSO and the operators of other gas systems
- Chapter 7 Management of Storage System congestion
- Chapter 8 Criteria of the security of the Storage System and the procedures to be followed in the event of a threat to the security of supply of Gaseous Fuel and in an Emergency Situation

Part III of the Storage Code – Final Provisions – governs the expiry of the previously applicable Rules, the treatment of applications for a storage service agreement submitted prior to the introduction of the Storage Code and the actions to be taken by the SSO in the event that the storage services platform (PUM) or other IT system cannot be used for communication with or service of Storage Customers.

Major changes adopted in the Storage Code in relation to the Rules

• The Storage Code does not contain a technical part that would correspond to Part II of the Rules – PARAMETERS OF STORAGE SERVICES IN INDIVIDUAL STORAGE FACILITIES AND GSFs (Chapters 6, 7, 8 of the Rules)

The provisions in the technical Part II of the Rules have been included in Chapter 2 of the Storage Code ("Characteristics of the Storage Services including Gaseous Fuel injection and withdrawal services"), while in other respects the applicable technical parameters concerning the storage facilities and the services provided therein will be published on the SSO's website and all customers will be immediately informed of their change, which also follows from the provisions of section 1.10 and section 2.6.7 of the Storage Code.

- The Storage Code chapters have been renamed to correspond to the content of the individual subsections of Article 9g(3a) of the ELA. New chapters have also been introduced in order for the Storage Code to include the content required by the respective items of Article 9g(3a) of the ELA, i.e:
 - Chapter 5 Correspondence, exchange of information and customer service standards
 Article 9g(3a)(9) of the ELA;
 - Chapter 6 Rules concerning the cooperation and exchange of information between the SSO and the operators of other gas systems Article 9g(3a)(7) of the ELA;
 - Chapter 7 Management of the Storage System congestion (regulates matters concerning technical limitations and questions covered by the former Chapter 5 of the Rules Contractual Congestion Management) Article 9g(3a)(3) of the ELA;
 - Chapter 8 Criteria of the security of the Storage System and the procedures to be followed in the event of a threat to the security of supply of Gaseous Fuel and in an Emergency Situation addresses collectively the questions covered by Article 9g(3a)(4) to (6) of the ELA.

- The civil-law contractual terms and conditions for the provision of Storage Services, as well as for the conclusion and termination of SSAs, to the extent that they are not regulated in the Storage Code, are set out in the standard General Terms and Conditions of the Storage Services Agreement (GTC) as a contract model and document related to the Storage Code to be published on the GSP's website prior to the entry into force of the Storage Code. The GTC set out, among other things, the following:
 - rules for the assessment by the SSO of the Applicant's creditworthiness and the questions concerning the establishment of a financial security;
 - billing and invoicing rules;
 - grounds for the termination or expiry of the SSA;
 - rules concerning the withdrawal of Gaseous Fuel in case of termination or expiry of the SSA;
 - confidentiality and protection of personal data;
 - procedure for amending the GTC.
- The documents that previously were appended as annexes to the Rules, including SSA contract
 models are excluded from the scope of the Storage Code and will only be published on the
 GSP's website. Documents related to the Storage Code are listed in section 1.10. of the Storage
 Code. The contract models and other related documents which require alignment with the
 final approved version of the Storage Code will be published on the SSO's website prior to the
 entry into force of the Storage Code.

Pursuant to Article 9g(12) of the ELA, system users using gaseous fuel storage services provided by the SSO are obliged to comply with the conditions and requirements as well as the procedures for handling and exchanging information set out in the Storage Code, which by law is incorporated to the SSA.

Furthermore, section 9.1 of the Storage Code provides that, upon the **entry into force of the aforementioned document, the Storage Code shall replace the Storage Service Rules** of 1 April 2022 version 004, as amended, **becoming an integral part of the existing SSAs**. In connection with the entry into force of the Storage Code, the Storage Customer has the right to terminate the SSA in accordance with the provisions of section 1.7.10.