

ALLOCATION PROCEDURES

1. Introduction

This Appendix 6 defines the procedures *GTS* follows in respect of allocation within the ***national grid***. The allocation process performed by *GTS* is part of the ISO 9001:2015-certificated billing process for the ***national grid***. These allocation procedures are consistent with and supplemental to the procedures as formulated in the Allocation Code Gas of the *Dutch Network Code*.

2. Allocation role

Allocation roles applicable in the ***national grid*** are described in the articles 4 and 4a of the Allocation Code Gas.

At an ***exit point*** connected to an *end user* the following procedure is applicable:

In case of a short notice booking (start date of contracted service is within two (2) ***business days*** after receiving the request) parties should take into account that *GTS* needs two (2) ***business days*** after receiving of the booking request to set the allocation role in accordance with article 3.

During the period from the start date of the contracted service the allocation roles remain unchanged for two (2) ***business days***. After those two (2) ***business days*** the allocations roles will be changed according to article 3. ***Shipper*** will be informed by *GTS* if their allocation role changes on the first ***business day*** after receipt of the request.

3. Allocation rules

In addition to section 4a of the Allocation Code Gas, the following allocation rules apply at ***entry points*** and ***exit points*** not connected to a ***distribution network***:

If *GTS* is not able to determine the allocation due to insufficient or incorrect information by the ***shipper***, *GTS* will determine the allocation at its own discretion.

The near-real-time and off line allocation, as referred to in the *Dutch Network Code* (article 4.a.3.1 of the Allocation Code Gas) may, with the consent of *GTS*, be performed by a *neighbouring network operator* or a third party. Where allocation is performed by a third party, a GCA is in place where operational allocation rules are agreed upon.

The allocation is performed by a *neighbouring network operator* or other third party at the following ***entry-*** and ***exit points***:

MP description

301071 BALGZAND (NAM-HC)
301073 BALGZAND (NAM-NOGAT)
301094 UITHUIZEN (NGT)
301312 ZANDVLIET (WINGAS-H)

4. Allocation rules at *TTFB*

With respect to balancing relations at the *TTFB*, article 4a.2.5 of the Allocation Code Gas and the following apply:

The ex ante undetermined quantity of ***gas*** is determined by the sum of the allocations to ***shipper*** as the receiving ***shipper*** ('Shipper B') in the balancing relation for the specified ***customer category*** at industrial ***exit points*** and ***exit points*** connected to a ***distribution network***. The resulting sum of the allocations will be allocated to the supplying ***shipper*** ('Shipper A').

In case **shipper**, in the role of the supplying party of a balancing relation ('Shipper A'), has engaged in a balancing relation with another **shipper** ('Shipper B'), the resulting sum of the allocations to the receiving **shipper** ('Shipper B') in the balancing relation will be allocated to the supplying **shipper** ('Shipper A') in the balancing relation as an exit allocation, previous to the calculation of the portfolio imbalance signal (POS) of the supplying **shipper's** own **portfolio**.

5. Allocation under an Operational Balancing Agreement (OBA)

In case an OBA is in force, article 4a.1.1.1 of the Allocation Code Gas and the following apply:

At **entry** or **exit points** where an OBA is in force all **shippers** need to nominate.

Differences between the sum of the **confirmations** on the one hand and the measured volumes on the **network operators** on the other hand, may be allocated to a balancing account between the **network operators**.

Differences which arise as a result of incorrect action by **shippers** or a *neighbouring network operator* will not be allocated to the balancing account. The existing allocation rules as referred to in article 3 of this appendix will be applied to volumes that remain after application of the OBA.

An OBA may temporarily be suspended, during which the existing allocation rules as referred to in article 3 of this appendix apply.

6. Allocation of remaining volume

If, as a result of technical faults in measurement or data acquisition equipment, it is not possible retroactively to determine the **hours** to which an adjustment (for the 'remaining volume') should be applied, the following allocation rules will be applied with regard to the remaining volume:

- The remaining volume will not affect previously determined **hourly** allocations for the **entry** or **exit point** in question or any financial consequences thereof.
- The remaining volume will be allocated as commodity as a **monthly** volume to the balancing **shippers** at the **entry** or **exit point** in question during that entire **gas month** in proportion to the total volume already allocated to **shippers** in the **gas month** concerned and a financial settlement will be made on that basis.
- In case an **OBA** is in place, the remaining volume will be allocated to the balancing account between the **network operators**.
- In case there is no balancing **shipper** at an **entry** or **exit point** or if allocation to the balancing account of an OBA is not or not entirely possible, the remaining volume will be allocated as commodity in proportion to the total volume already allocated to **shippers** in the **gas month** concerned, and a financial settlement will be made by application of the monthly average of the *neutral gas price* according to article 5.2.2 of the Allocation Code Gas.

The party responsible for allocations will also be responsible for the allocation of the remaining volume and will deliver the data to GTS.

7. Allocation in the case of existing allocation agreements

If the above allocation rules with respect to an **entry** or **exit point** cannot be applied or cannot be applied in full by virtue of the operation of existing allocation agreements between two or more parties, GTS and **shipper(s)** to which the present allocation rules should apply will seek to formulate provisional allocation rules for the **entry** or **exit point** in question which are as far as possible consistent with the present allocation rules and to apply the formulated allocation rules in full as soon as possible. Provisional

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allocation rules as referred to in this article 7 will in all cases include the existing agreements relating to the **entry** or **exit point** in question.