

# **RULES FOR ACCESS TO THE GAS TRANSMISSION AND/OR GAS DISTRIBUTION NETWORKS AND THE NATURAL GAS STORAGE FACILITIES**

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## **Chapter One**

### **RULES FOR ACCESS TO THE GAS TRANSMISSION AND/OR GAS DISTRIBUTION NETWORKS**

#### **Section I**

##### **General**

**Article 1. (1)** The Rules herewith set forth:

1. The conditions for access to the gas transmission and/or gas distribution networks which applicants must meet.
2. The terms and procedures applicants must go through in order to acquire access to the gas transmission and/or gas distribution networks.
3. (Amend. SG issue 103 of 27.12.2016 effective as of 27.12.2016) The parties eligible for seeking access to the gas transmission and gas distribution networks are as follows: public natural gas supplier, gas producers, operators of gas storage facilities, operators of liquefied natural gas facilities; gas transmission network operators, combined network operators, operators of gas distribution networks, natural gas traders, customers and natural gas end providers.

**(2)** The Rules herewith are meant to guarantee that operators of gas transmission and gas distribution networks offer their services to all network users on a non-discriminatory basis;

**(3)** The Rules herewith are also intended to guarantee that gas transmission and gas distribution networks operators:

1. (Amend. SG, issue 59/2015, effective as of August 4, 2015) shall offer to third parties access services for both uninterruptible, and interruptible services, and the price of interruptible services reflects the probability of interruption;
2. Shall offer to network users both long-term, and short term services.

**(4)** (New SG, issue 59/2015, in force as of August 4, 2015) TSOs shall offer at least the following capacity services:

1. (Amend. SG issue 103 of 2016 effective as of 27.12.2016) Regarding the deadline: providing short-term capacity services – within day, daily, monthly or quarterly capacity, and long-term capacity services – yearly capacity (gas year) or capacity for a period multiple of a year, but not exceeding 15 consecutive gas years; within day capacity and day ahead capacity shall be offered at points set by the transmission system operators (TSOs) upon providing the respective technical possibility via a Capacity Booking Platform.
2. (Amend. SG issue 103 of 2016 effective as of 27.12.2016) Regarding the services' type: services providing a firm capacity and services providing an interruptible capacity.

#### **Section II**

**Terms and Conditions for Providing Access to the Gas Transmission and/or  
Gas Distribution Networks**

**Article 2. (1).** The parties named in Article 1, Item 3 shall be eligible for network access.

**(2)** (Supl. SG, issue 59/2015 effective as of August 4, 2015, amend. SG issue 103/2016 effective as of 27.12.2016) Right of network access shall not have any parties who are subject of proceedings for a winding-up, have been declared bankrupt or are under an insolvency procedure, and if foreign persons, they are in similar procedures under their national law.

**(3)** The network operator shall have the right to decline network access when the applicant has outstanding financial liability to the operator, the deadline of which had expired.

**(4)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Network operator shall have the right to send back any access application when:

1. the applicant fails to submit the necessary evidence of the required circumstances for access granting in line with these Rules;
2. the access application fails to meet the terms and conditions and the requirements of these Rules.

**(5)** In instances under paragraph 4 the operator determines a deadline of no less than 3 working days for elimination of all inaccuracies in the application and submission of the required evidence. If no inaccuracies are eliminated and no evidence are submitted within the deadline, the access application shall be sent back to the applicant, and the access procedure is terminated.

**(6)** (Amend., SG issue 59/2015 effective as of August 4, 2015) The gas transmission and gas distribution companies shall grant users access to their networks on equal terms and in a transparent manner and shall not discriminate against any party that meets the eligibility criteria set forth in these Rules.

**Article 3.** Access to gas transmission and/or gas distribution networks may also be granted to entities residing in an EU member state or entities registered in countries with which the Republic of Bulgaria has signed international treaties for mutual application of the respective EC laws, provided there are system interconnections in place, and in compliance with the provisions of Article 176a of the Energy Act (EA).

**Article 3a.** (New SG issue 103/2016 effective as of 27.12.2016) Transmission system operator, distribution system operator respectively, may refuse access to the networks:

1. under the conditions of art. 172, para.2 and art.172a of the Energy Act;
2. when the applicant fails to meet the terms and conditions under Sections II and III, or fails to submit the necessary documents in line with these Rules.

**Section III**

**Procedures for Granting Access to Gas Distribution Networks**

**(Title amend. SG issue 103/2016 effective as of 27.12.2016 )**

**Article 4. (1).** (Amend. SG issue 103/2016 effective as of 27.12.2016) The entities named in **Article 1**, Item 3 and **Article 3** shall submit a standard application form for access in writing to the gas distribution system operator (DSO) along with all attachments thereto, as drawn-up by the operator and published in a suitable manner including via his website.

**(2)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Every eligible entity or network user apply for access or correction of the granted access by submitting an application for access which shall be filled in and submitted both a hard copy and an electronic document on a suitable medium, and in the format specified by the DSO. Should there be any inconsistencies between the hard copy and the electronic document, the hard copy shall take precedence.

**(3)** (Amend., SG issue 59/2015 effective as of August 4, 2015) Access applications shall state the following, at minimum:

1. nominated transmission capacity at the entry point (s) on a daily basis;
2. nominated transmission capacity at the exit point (s) on a daily basis;
3. The access and transmission period - start and end date which cannot be different than a gas day, a gas month, a gas quarter, or a gas year;

**(4)** (Amend., SG issue 59/2015 effective as of August 4, 2015, Repeal. SG issue 103/2016 effective as of 27.12.2016).

**(5)** (New, SG issue 59/2015 effective as of August 4, 2015, Repeal. SG issue 103/2016 effective as of 27.12.2016).

**(6)** (Previous para. 5, SG issue 59/2015 effective as of August 4, 2015) Application for access shall also be submitted where a change in the already granted access to networks is requested, if such change is required as a result of an extension, expansion, reconstruction and/or rehabilitation of existing equipment of the Applicant.

**Article 5. (1)** (Amend. SG issue 59/2015 effective as of August 4, 2015) The deadlines for submitting the applications for access and applications for capacity shall be the following:

1. Submit an application for access and nomination of yearly capacity and capacity greater than one year – no later than 30 days prior to the start of the period and not earlier than 365 days prior to the start of the period; within this deadline applications can be submitted and quarterly and monthly capacity allocated for the next gas year when it is an annex to the application for the yearly capacity;
2. Submit an application for access and nomination of quarterly capacity – no later than 30 days prior to the start of the period and not earlier than 60 days prior to the start of the period;
3. Submit an application for access and nomination of monthly capacity – no later than 15 days prior to the start of the period and not earlier than 30 days prior to the start of the period

**(2)** (Amend. SG issue 59/2015 effective as of August 4, 2015, SG issue 103/2016 effective as of 27.12.2016) DSO shall review the submitted application and the attachments thereto within 7 days. If he finds that the applicant has not provided the necessary documents and data in accordance to these Rules, the operator will notify the applicant in writing to provide them in addition within 5 days of receiving the written notification. The applicant shall be instructed that, if he fails to present the requested documentation in due time, the application shall not be considered.

**(3)** (New, SG issue 59/2015 effective as of August 4, 2015) The deadlines for adjudicating an application for access and capacity nominations are the following:

1. to approve, reject or amend an application for access and nominated yearly capacity – up to 15 days prior to the start of the period;
2. to approve, reject or amend an application for access and nominated quarterly or monthly capacity – up to 5 days prior to the start of the period

**(4)** (Previous para.3, SG issue 59/2015 effective as of August 4, 2015) The operator can accept and/or review applications for capacity beyond the deadlines provided above in case of a force majeure or other force majeure circumstances.

**(5)** (Previous para.4, SG issue 59/2015 effective as of August 4, 2015, Repeal. SG issue 103/2016 effective as of 27.12.2016)

**Article 6. (1)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Having received an application with all necessary documents, DSO shall investigate the possibility and the conditions for granting the

applicant access.

(2) The investigation shall focus on the existence of the conditions described in Section II, the nominated capacity, the existence of obstacles to providing access, the technical parameters and the timeframe for providing the access.

**Article 7. (1)** (Amend., SG issue 59/2015 effective as of August 4, 2015, Amend. And Suppl. SG issue 103/2016 effective as of 27.12.2016) Within the deadlines under Article 5 for adjudicating upon an application for access or changing the access granted, DSO shall submit to the applicant a draft contract at equal terms and conditions for the users or a justified denial.

(2) The draft contract shall provide the terms and conditions for access to a specific site and shall include the following mandatory parameters:

1. Allowed allocated capacity on a daily basis as per entry and exit points including maximum and minimum hourly natural gas consumption and pressure in the network;
2. Load profile, natural gas quantities for transmission on yearly, quarterly, monthly or daily basis;
3. (Amend. SG issue 103/2016 effective as of 27.12.2016) entry and exit points (handover/acceptance points) of gas transmission and/or gas distribution networks where the handed over/accepted natural gas quantity for transmission is measured; measurement points at the entry and exit points of the gas transmission and/or gas distribution network;

(3) (Amend., SG issue 59/2015 effective as of August 4, 2015, SG issue 103/2016 effective as of 27.12.2016) The applicant signs the draft contract and it shall be concluded within a period of 3 days as of its receipt by DSO.

(4) (Amend. SG issue 103/2016 effective as of 27.12.2016) DSOs develop general terms and conditions of the transport contracts along the gas distribution networks, subject to approval by the EWRC and shall be published on the operators' websites.

**Article 8.** (Amend. SG issue 103/2016 effective as of 27.12.2016) In case of a justified access denial by the DSO, a natural gas client or a potential client located on the territory of this operator may be granted an access to the gas transmission network under the terms and conditions of these Rules :

**Article 9.** (Repeal. SG issue 103/2016 effective as of 27.12.2016).

**Article 10.** (Repeal. SG issue 103/2016 effective as of 27.12.2016)

### **Section IIIa**

(New, SG 103/2016 effective as of 27.12.2016)

#### **Procedures for Granting Access and Capacity Allocation at Entry and Exit Points of the Gas Transmission Networks**

**Art. 10a** (New, SG 103/2016 effective as of 27.12.2016) (1) TSO verifies each entity who have submitted a standard application form for access, whether they comply with the requirements of adr.2 of the Rules, within 3 business days of submitting the application together with all required documents. The verification results shall be announced to the applicant within 3 business days.

(2) The application may be submitted at any time within the business days of the operator – in person, via registered mail or courier service, or via e-mail at the address indicated by the operator in compliance with the written form requirements and certifying the author of the electronic statement in line with the Electronic Document and Electronic Signature Act. Original documents certifying the lack of circumstances under art. 2, para. 2 and State-of-Play Certificate of the applicant or equivalent document in line with the national legislation of the country where the applicant is registered, shall be enclosed to

the application.

(3) Application for access shall be also submitted when requesting a change of already granted access to the networks, if the change is due to expansion, reconstruction and/or rehabilitation of existing facilities of the applicant.

(4) The rules compliance verification is valid for a period of up to 6 months as of the notification on receiving access to the gas transmission network.

(5) Within the term under para. 4 the entity shall have the right to submit nominations to book capacity on the Capacity Booking Platform, take part accordingly in the transmission capacity allocation procedures.

(6) The operator of the transmission network shall have the right at any time within the term under para.4 carry out checks of the entity for their compliance with the requirements of the rules with a view to granting access.

**Article 10b.** (new – SG issue 103 of 2016, effective as of 27.12.2016 r.) (1) At every IT the TSO shall create and operate a joint Capacity Booking Platform together with the neighboring TSOs, where capacity is allocated by means of bidding procedures (auctions) in line with the requirements of Regulation (EU) No.984/2013 of the Commission of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No 715/2009 of the European Parliament and of the Council.

(2) Auctions at ITs shall be held in line with the auction calendar for the capacity auctions, published by ENTSOG in line with 3, item 2 of Regulation (EU) No.984/2013.

(3) The capacity booking platform must provide all software required for the overall implementation of the requirements of Regulation (EU) No. 984/2013.

(4) The capacity booking platform must keep and process data on users of gas transmission networks registered thereon.

(5) By registering on the booking platform users accept to perform the legal and contractual requirements valid and applicable for the respective platform.

(6) Entities who have gone through the verification under art. 10a can participate in the capacity allocation procedure following a registration on the booking platform and secured credit limit. The credit limit amount and terms and conditions shall be determined by the operator in a transparent and non-discriminatory manner by capacity products types and shall be published on the operator's webpage.

(7) TSO manages the credit limit of the registered users and notifies them on reaching their credit limit in order to take actions and eligibility in procedure for capacity allocation.

(8) Detailed results of each auction procedure are available for both the TSO and each participant in the procedure immediately upon its completion, and results summary shall be published at Public Access Section at the Capacity Booking Platform.

(9) Capacity allocation procedures for the points of the gas transmission network, different from the interconnection points are also conducted at the capacity booking platform in line with one of the capacity allocation mechanisms indicated in art. 11 para. 2.

(10) The deadlines and conditions of the capacity allocation procedures in line with article 9 shall be laid down by the TSO through a calendar to nominate yearly, monthly and quarterly products, which shall be published on its website no later than 30 calendar days prior to each procedure.

(11) TSO shall have the right to establish its own software solutions, enabling capacity trading at the points other than the interconnection points.

(12) Each capacity allocation procedure on the Capacity Booking Platform ends with an electronic written confirmation for capacity allocation submitted both to the participant in the procedure and the TSO on the nominated by the participant entry and/or exit points.

(13) TSO within 3 days as of the completion of the capacity allocation procedure shall submit to the participant with the allocated capacity a draft transport contract or additional agreement to a concluded contract in line with the written confirmation for an allocated capacity at the nominated by the participant entry and/or exit points.

(14) No later than the effective implementation date of the nominations under a concluded transport contract, users shall submit information of ensured/booked capacity for transport through the transmission network of a neighboring operator in favour of the applicant for a period and capacity corresponding to the allocated one in the entry point and/or for natural gas quantities secured on the basis of a signed valid supply contract of the nominated natural gas quantities with a place of delivery – the indicated in the application entry point/s.

(15) The requirement under para. 14 shall not be applied for concluded transport contracts at allocated capacity following a procedure for bundled capacity at the interconnection points.

(16) TSO develops a standard form of a harmonized contract for providing the service “natural gas transmission through the gas transmission network” to the users at equal contractual terms and conditions in compliance with the requirements of art.6 of the Natural Gas Trade Rules. A standard form of the transport contract shall be published on the operator’s webpage.

## **Section IV**

### **Principles behind Capacity Allocation Mechanisms and Congestion Management Procedures**

**Article 11. (1)** (Amend., SG issue 59/2015 effective as of August 4, 2015 SG issue 103/2016 effective as of 27.12.2016) Gas transmission network operators in line the requirements and rules of Regulation (EU) 984/2013 shall develop, apply, and publish non-discriminatory and transparent mechanisms for capacity allocation, which shall guarantee maximum capacities at all relevant points (including entry and exit points) for all market participants take into account the integrity of the system, the efficient operation of the network, and the rules of congestion management. Gas transmission network operator shall develop congestion management procedures, and shall submit them to the EWRC for approval.

**(2)** The mechanisms for allocating the available capacity for every entry and exit point, and for the entire network may be developed on the basis of the following principles:

1. Proportional allocation;
2. Tender procedure;
3. Open application (in case of new gas infrastructure).

**(3)** (Amend. SG issue 103/2016 effective as of 27.12.2016) The mechanisms discussed in Para. 2 shall be applied independently for the nominated firm and interruptible capacity. Firm capacity shall be allocated first and the interruptible capacity shall be allocated afterwards, provided it has been expressly nominated (stated) in the Application for access.

**(4)** Capacity allocation mechanisms shall be flexible and must allow for changes to be implemented so as to adapt to the changing market conditions. They shall not stand in the way of new market participants or create barriers for entering the market. They must be capable of sending appropriate economic signals for effective and optimal use of the available technical capacity and be conducive to new infrastructure investment.

**Article 12.** The technical capacity of a given network will be calculated based on a capacity calculation mechanism adopted and notified by the respective gas transmission network operator.

**Article 13. (1)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Available firm capacity for every entry and exit point and for the entire network (or section thereof) for a particular time period shall be calculated as the difference between the technical capacity and the firm capacity for the particular entry or exit points or the entire network (including sections thereof with lower capacity) that has been already allocated (contracted) amongst network users for the particular period of time.

**(2)** In instances when the transmission service is offered by a combined operator, the operator may provide that the capacity required for transmission of quantities for injection and production to be allocated to customers who are granted access to the gas storage and up to the amount of their allocated capacity for injection, respectively production

**(3)** (Amend. SG issue 103/2016 effective as of 27.12.2016) The capacity at any given point is stated in kWh/day and is allocated on a daily basis for the nominated period.

**Article 14.** (Amend. SG issue 103/2016 effective as of 27.12.2016) Gas transmission network operators allocate interruptible capacity in the instances where the particular points do not allow for firm capacity or where the firm capacity has already been allocated, or where for technological or economic reasons part of the firm capacity must be transformed into interruptible capacity in the short term.

**Article 15.** (Amend. SG issue 103/2016 effective as of 27.12.2016) Having allocated the entire available firm capacity for a given point or for the entire network, operators shall declare lack of available firm capacity for these points or for the entire network and shall offer only interruptible capacity. The mechanism for allocating interruptible capacity shall be applied independently from the mechanism for allocating firm capacity. Interruptible capacity shall be allocated once firm capacity has been allocated or when interruptible capacity for these points is announced on the operator's webpage and at least one potential or registered user has applied for interruptible capacity for it.

**Article 16.** (Amend. SG issue 103/2016 effective as of 27.12.2016) At the end of every business day during which capacity has been nominated and allocated (by applying the allocation mechanism) the operator shall recalculate the available capacities across the points and for the entire network. The calculations shall then be used next time the allocation mechanism is applied upon the submission of other nominations. The available capacity shall also be recalculated every time a supply contract expires or is terminated resulting in the freeing up of capacity. Finally, capacity recalculations shall also be done when unused firm capacity is transformed into interruptible capacity on a short-term basis. If a potential customer to whom capacity has already been allocated decides not to conclude a Transport Contract with the operator, the capacity allocated to him shall be declared available.

**Article 17.** Users shall be entitled to trade their allocated capacities amongst each other.

**Article 18. (1)** Where the concluded agreements lead to congestion, the gas transmission network operator:

1. Shall provide capacity allocation for new contracts by releasing unused capacity by allowing network users to lease out or resell their contracted capacity;
2. Shall offer the unused capacity on the market on at least for a day-ahead basis as an interruptible service;

**(2)** The principles of Para. 1 shall apply to the entire contracted capacity including to existing contracts.

**Article 19. (1)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Where contracted capacity remains unused, transmission system operators shall offer the capacity on the primary market as interruptible capacity per agreements with different duration in so far as this capacity is not being offered on the secondary market by the respective network user.

**(2)** (Amend. SG issue 103/2016 effective as of 27.12.2016) Transmission system operators shall be entitled to offer a portion of the unused capacity as a firm capacity on the market where there are suitable conditions to do so.

## **Section V Provision of Information**

**Article 20. (1)** Gas transmission network and gas distribution network operators shall publish detailed information about the services they offer (service descriptions for the long-term and short-term services, interruptible and uninterrupted services and their prices), the terms and conditions for them, and the technical information necessary for network users to gain effective access to the network.

**(2)** For the services they offer, gas transmission network and gas distribution network operators shall publish information about the technical, contracted, and available capacity on a numerical basis at all relevant points, including entry and exit points. This shall be done on regular basis and in a standardized and user-friendly manner, such as, for example, by drawings of the gas transmission network of the respective operator showing all entry and exit points, all points where the network interconnects with the networks of other operators, as well as the requirements for the quality of the gas offered for transmission and the pressure in the system. The relevant points across the transmission system for which the operator is obliged to publish information shall be approved by the competent authorities after consulting with the network users. Operators shall be required to update this information every time a change is introduced.

**(3)** Transmission system operators shall publish preliminary and updated information about the supply and demand based on nominations, forecasts and actual flow to and from the system. This data shall be based on information available to the transmission system operator and the information provided by the respective market participants.

**(4)** (Amend., SG issue 59/2015 effective as of August 4, 2015) Operators shall publish detailed information about how prices are determined, tariffs, methodology and structure. These tariffs and pricing methodologies must be applicable to all participants and must have been approved by the EWRC and published before they are implemented.

**(5)** Gas transmission network operators shall publish a schedule of the planned repairs and network maintenance activities for the respective year. It shall list the activities that may have impact on the rights of the network users arising out of their transport contracts and shall contain relevant operational information three months prior to the start of the relevant year.

**(6)** Operators shall publish on their website their transport contracts and/or their standard terms and conditions, setting forth the rights and obligations of all network users.

**(7)** Network operators shall also publish on their respective websites and all other network-related information that is required by Directive 2009/73/EC, Regulation (EC) № 715/2009, the Energy Act and the applicable bylaws.

**Article 21. (1)** Network operators shall develop information systems and electronic communication channels in order to provide network users with adequate information and to simplify transactions such as applications, capacity negotiations, and transfer of capacity rights between network users.

**(2)** The information which the operator published on his website shall be well presented, clear and easy to use and shall be in an easily downloadable format.

## **Chapter Two**

### **RULES FOR GRANTING ACCESS TO NATURAL GAS STORAGE FACILITIES**

#### **Section I**

#### **General**

**Article 22.** These rules set forth:



1. The conditions for access to natural gas storage facilities, which applicants must meet;
2. The procedures for granting access to natural gas storage facilities;

**Article 23.** The period between the 1<sup>st</sup> and the 15<sup>th</sup> April and the period between the 1<sup>st</sup> and the 15<sup>th</sup> October of every calendar year shall be used for stabilizing the reservoir, for running technical prophylactic, and for preparing the natural gas storage facilities for their next cycle of injection and withdrawal.

## **Section II**

### **Conditions for Granting Access to Natural Gas Storage Facilities**

**Article 24.** The natural gas storage facility operator shall grant access to his facility to the applicants, who meet the eligibility criteria set forth in these rules under equal conditions.

**Article 25.** Right of access to natural gas storage facilities can be granted to entities residing in a EU member state and entities registered in countries under international treaties with the Republic of Bulgaria for mutual application of the respective European Community laws provided there are interconnections in place and provided the conditions of Article 176a of the Energy Act (EA) are met.

## **Section III**

### **Procedures for Granting Access to Natural Gas Storage Facilities**

**Article 26.** The storage facility operator undertakes to:

1. (Amend, SG issue 59/2015 effective as of August 4, 2015) offer access to the storage facility to third parties under conditions of non-discrimination, transparency and equality for all potential customers by concluding a harmonized contract approved by the EWRC;
2. meet market demand by providing access to the storage facility on a non-discriminatory basis, taking into account the special characteristics of the national gas market;
3. establish rules for effective and permanent use of the storage facility capacity by making maximum use of the available capacity and offering any available capacity after having notified the users;
4. use under conditions of confidentiality any available commercial information related to the customers of the storage facility and only for their intended purposes;
5. (Amend., SG issue 59/2015 effective as of August 4, 2015, SG issue 103/2016 effective as of 27.12.2016)) periodically provide up-to-date information to the EWRC and the TSO;
6. cooperate with the gas transmission system operator for security purposes of both the storage facility and the gas transmission system.
7. make sure that the security guarantees for the storage facility users are non-discriminatory and do not constitute an obstacle to free market transactions between the parties.

**Article 27.** Natural gas storage facility operators shall publish on the Internet:

1. a detailed description of the services offered including long-term and short-term services and their prices;
2. a standard form of a harmonized contract for natural gas storage or a standard form of a transport and storage contract when the service is offered by a combined operator;
3. a simple diagram of the operator's gas transmission system showing the entry and exit point connecting the gas transmission network to the natural gas storage facility;

4. requirements for the quality of the gas offered for storage and the withdrawn gas;
5. information on the available capacity and updates following changes;

**Article 28. (1)** No later than 30 calendar days before the beginning of the respective injection period, the natural gas storage facility operator shall publish on his Internet site the following:

1. (Amend. SG issue 103/2016 effective as of 27.12.2016) The available capacity of the gas storage by gas months, as well as firm and interruptible capacity for injection and withdrawal, to be offered to potential customers for the entire gas year;
2. (Amend. SG issue 103/2016 effective as of 27.12.2016) The possibility for concluding contracts for long-term and short-term storage services with firm and interruptible capacity for injection and withdrawal;
3. The minimum storage capacity a potential customer can apply for;
4. (Amend. SG issue 103/2016 effective as of 27.12.2016) The deadline for submission of storage capacity applications for the forthcoming gas year (at least 14 days as of its announcement).

(2) In case of available storage capacity, injection and respectively for withdrawal, the operator shall update the information even beyond the deadline set forth in para 1, to timely offer the capacity on the primary market.

(3) Each capacity of the storage facility, requested by an eligible applicant for access, shall be offered under third party access conditions on a non-discriminatory basis, on equal contractual terms and taking into account the special characteristics of the national gas market;

**Article 29. (1)** The principles for allocation of the available and the unused capacity shall be the following:

1. the available capacity shall be allocated under conditions of transparency, equality and competitiveness.
2. the operator shall timely offer the unused capacity on the primary market;
3. gas storage facility users shall have the right to resell their contracted capacity on the secondary market, after notifying the operator thereof.

(2) (New, SG issue 59/2015 effective as of August 4, 2015) The mechanisms for allocation of the available storage capacity could be:

1. Pro-rata;
2. Tender procedure;
3. (New SG issue 103/2016 effective as of 27.12.2016) first-come-first-served
4. (Prev. item 3, SG issue 103/2016 effective as of 27.12.2016) Open application (in case of new gas infrastructure).

(3) (Previous para.2, amend, SG issue 59/2015 effective as of August 4, 2015, SG issue 103/2016 effective as of 27.12.2016) The capacity of the storage facility shall be provided to the users in accordance with the non-discrimination procedures. The storage facility operator shall offer users the technical capacity of the facility except for the quantity needed by the operator for operational use, as well as for the needs of the gas transmission system operator, and also excluding the amount of capacity the operator is obliged to ensure for natural gas storage according to the provisions of the Emergency Action Plan and the Preventive Action Plan adopted pursuant to Regulation (EC) 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply and repealing Council Directive 2004/67/EC of the Council. Excluding capacity of the storage facility shall be controlled by EWRC.

**Article 30. (1)** In order to apply for capacity from the storage facility, the potential user should submit an application form approved by the storage facility operator.

**(2)** The Applications for storage capacity must include the following:

1. nominated storage capacity;
2. nominated injection capacity and nominated withdrawal capacity by gas months
3. (Amend. SG issue 59/2015 effective as of August 4, 2015) bank guarantee or other security to the amount of 50% of the monthly value of the stored natural gas based on the nominated capacity and the currently applicable storage price approved by EWRC. The bank guarantee shall be issued pursuant to the attached standard form for two months period of validity after the deadline for submission of the application for capacity.

**(3)** The storage facility operator, at his reasonable discretion, shall be entitled to request additional documents from the applicant in proof his creditworthiness, provided that these do not constitute an unreasonable obstacle for the applicant to enter the market and are non-discriminatory, transparent and relative.

**(4)** The operator shall approve or reject the application for access to the storage facility on reasonable grounds within 10 days of receipt of the application and all of the documents attached thereof.

**(5)** Upon approval, the potential user shall be issued a certificate with 6 months validity as of the day of its issuance, under the terms and conditions set forth therein. The operator shall keep record of all certificates issued by him.

**(6)** Upon approval, the operator shall send a draft storage contract to the applicant. In return, the applicant shall sign the draft contract and it shall be concluded within 7 days of its receipt.

**(7)** (Amend. SG issue 103/2016 effective as of 27.12.2016)The operator and the user can conclude contracts regardless of the gas year with initial dates differing from the standard ones or with shorter duration than the term of the standard one-year contract.

**Article 31. (1)** The facility operator shall develop, implement, and publish non-discriminatory capacity allocation mechanisms ensuring the provision of maximum capacity to all market participants, taking into consideration the integrity and the efficient system operation and consulting with the users.

**(2)** Operators shall offer minimum the following services:

1. Bundled (contracted) services with regard to the injection/withdrawal of gas at established technical parameters;
2. Non-binding (supplementary) services with regard to the facility's capacities available at the beginning of the calendar year;
3. Long-term (over 1 year) and short-term (under 1 year) services with 1 day minimum period of storage.

**(3)** The services offered by the storage system operator must be in the interest of the users and consistent with the market situation and the economic efficiency.

**(4)** The storage facility operator shall offer services, which are compatible with the use of interconnection gas transmission systems and providing easy access to the storage facility.

**(5)** The storage system operator must have a developed information system for electronic communication enabling him to provide users with proper and up-to-date information and facilitating potential capacity exchange between them.

## **Section IV**

### **Control**

**Article 32.** (Amend. – SG issue 59/2015 effective as of August 4, 2015) EWRC shall supervise the implementation of these rules under the terms and conditions of the Energy Act.

### **ADDITIONAL PROVISIONS**

**§1.** For the purpose of these rules:

1. **Access** shall refer to the right to use the transmission network and/or the distribution networks for natural gas transmission at a price and in accordance with these rules.
2. **Entry point** shall refer to the physical point equipped with commercial metering devices where the quantity, pressure and quality of the natural gas subject to transmission are metered and determined and the gas is handed over from the user to the respective operator.
3. **Exit point** shall refer to a physical point equipped with commercial metering devices where the quantity and pressure of the transmitted natural gas are metered and determined and the gas is handed over from the respective operator to the network user.
4. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Interconnection point** shall mean a physical or virtual point connecting neighboring entry-exit systems or connecting an entry-exit system with a gas pipeline for interconnection as far as these points are subject to booking by the network users.
5. **Gas regulation station (GRS), Automatic gas regulation station (AGRS)** shall refer to an installation for regulation of natural gas pressure, equipped also with commercial metering devices.
6. **Natural gas transmission** shall refer to natural gas transportation through the transmission network or the gas distribution networks.
7. **Contracted capacity** shall refer to the capacity allocated by the transmission system operator to a network user according to the Transport Contract.
8. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Technical capacity** shall refer to the maximum firm capacity the transmission system operator can offer to the network users, taking into account the integrity of the system and the operational requirements of the transmission system.
9. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Firm capacity** shall refer to the gas transmission capacity with uninterruptibility guaranteed by the transmission system operator under a concluded contract.
10. **Interruptible capacity** shall refer to the gas transmission capacity which can be interrupted by the operator of the gas transmission and/or the gas distribution network in accordance with the provisions stipulated in the Transport Contract.
11. (Amend. SG issue 59/2015 effective as of August 4, 2015, SG issue 103/2016 effective as of 27.12.2016) **Interruptible capacity for reverse transmission on commercial basis** (backhaul or virtual capacity) shall refer to the gas transmission capacity in reverse to the physical transmission direction, which is performed on a commercial basis.
12. **Nomination** shall refer to a preliminary notification of the network user to the operator of the respective network about the actual flow requested by him to be transmitted through that network.
13. **Re-nomination** shall refer to any subsequent notification for correction of the original nomination.
14. (Repeal. SG issue 103/2016 effective as of 27.12.2016)
15. **Withdrawal** shall refer to the activities that are undertaken to make certain quantities of natural

gas located in the underground gas reservoir of the gas storage reach the gas transmission network.

16. **Injection** shall refer to the activities that are undertaken to make certain quantities of natural gas in the gas transmission network reach the underground reservoir of the gas storage facility to be stored there for a certain period of time.
17. **Underground gas storage facility** shall refer to the underground and ground facilities built on the basis of underground structures fit for natural gas storage.
18. **Underground gas reservoir (Reservoir)** shall refer to the underground part of the facility where injected natural gas quantities actually stay prior to their subsequent extraction (withdrawal).
19. **Working storage capacity** shall refer to maximum volume of natural gas that can be stored in the underground gas reservoir at a given point of time.
20. **Commercial storage capacity** shall refer to the amount of working capacity which can be used for natural gas storage for customers and which can be offered by the operator to the facility users.
21. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Commercial firm injection/withdrawal capacity** shall refer to the injection or withdrawal capacity with uninterruptibility guaranteed by the operator under a Storage Contract.
22. **Commercial interruptible injection/withdrawal capacity** shall refer to the injection or withdrawal capacity that can be interrupted (partially or fully) at any time by the operator under a Storage Contract.
23. **Short-term storage services** shall refer to contracted storage capacity with one gas year injection and withdrawal schedule.
24. **Long-term storage services** shall refer to contracted storage capacity where the period between the schedule of injection and of withdrawal is more than one gas year.
25. **Available capacity** shall refer to the amount of commercial storage capacity, which the operator has not yet allocated and which is still available to users at a given point of time.
26. **Capacity booked for the operator** shall refer to the amount of working capacity, which is not offered to users and is designated only for natural gas storage needed by the respective operator for technological needs with regard to the transmission process and for balancing of the gas transmission system.
27. **Contracted capacity** shall refer to the amount of commercial capacity, which the operator has allocated to the respective customer in accordance with the signed Storage Contract;
28. **Aggregate contracted capacity** shall refer to the sum of contracted capacities reserved for all the customers with effective Storage Contracts.
29. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Basic period of injection (injection period)** shall refer to the time period starting at 7:00 am on the 15<sup>th</sup> of April of a given calendar year and ending at 7:00 am on the 1<sup>st</sup> of October in the same calendar year throughout which the Operator has the technical capability to actually inject natural gas in the gas storage for the customers' needs.
30. (Amend. SG issue 103/2016 effective as of 27.12.2016) **Basic period of withdrawal (withdrawal period)** shall refer to the time period starting at 7:00 am on the 15<sup>th</sup> of October of a given calendar year and ending at 7:00 am on the 1<sup>st</sup> of April in the same calendar year throughout which the Operator has the technical capability to actually withdraw natural gas from the gas storage.
31. **Injection capacity** shall refer to the maximum natural gas quantity that can be actually injected

into the gas storage for one gas day (24 hours), depending on the formation pressure reached inside the reservoir.

- 32. Withdrawal capacity** shall refer to the maximum natural gas quantity that can be actually withdrawn from the gas storage for one gas day (24 hours), depending on the formation pressure reached inside the reservoir.
- 33. Preferred injection and withdrawal capacity** shall refer to the capacity per gas months, indicated by the applicant in his Application with which the potential customer applies with priority for allocation of the available capacity. The total amount of the nominated preferred capacities for injection and withdrawal should equal to the nominated storage capacity.
- 34. Allowable injection and withdrawal capacity** shall refer to the capacity per gas months, indicated by the applicant in his Application with which the potential customer applies for allocation of the available capacity, alternatively of the preferred injection and withdrawal capacity. Such capacity represents a range (the minimum and maximum limit) of injection and/or withdrawal capacity for the respective month, within which the potential client is interested and would accept any allocated capacity, in case that any preferred and nominated by him capacity for some of the months cannot be met. The total quantity of the indicated in the application minimum and maximum allowable capacities for all months can differ from the nominated storage capacity.
- 35.** (Repealed it. 38, SG issue 59/2015 effective as of August 4, 2015) **Storage contract** shall refer to the contract concluded between the operator and the customer, the subject of which includes access to the capacity of a gas storage facility and storage of natural gas quantity supplied by the customer and accepted for storage by the operator in accordance with the contract terms and conditions.
- 36.** (Repealed it. 39, SG issue 59/2015 effective as of August 4, 2015) **Storage facility user** shall refer to a natural person or legal entity with concluded contract for natural gas storage with the natural gas storage facility operator.
- 37.** (Repealed, SG issue 59/2015 effective as of August 4, 2015).

## **TRANSITIONAL AND CONCLUSIVE PROVISIONS**

**§ 2.** These rules have been prepared and approved pursuant to Article 21, para 1, item 13, Article 172, para 1 and Article 172b, para 1 of the Energy Act (amended SG, issue 54 of 2012 effective as of July 17, 2012) and in accordance with the requirements of Directive 2009/73/EC of the European Parliament and of the Council concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC and with the requirements of Regulation (EC) No. 715/2009/EC of the European Parliament and of the Council on the conditions for access to the natural gas transmission networks and repealing Regulation (EC) No. 1775/2005, as well as ERGEG Guidelines of good practice for storage system operators 2004-10-06 /2005-23-03 and the annexes thereto 2011-01-02, by virtue of Decision № P-1 dated 14.03.2013 of the State Energy and Water Regulatory Commission.

**§ 3.** The Rules repeal the Rules for access to the gas transmission and/or gas distribution networks adopted by the State Energy and Water Regulatory Commission with a Decision No. P-2 as of 14.05.2007 (SG, issue 45/2007).