



General Terms and Conditions for Gas Transport in the Up- stream Pipeline Version 1.0

3 February 2023

Table of contents

1. Introduction	4
1.1 Legal frame.....	4
1.2 Legal basis.....	4
1.3 Commencement.....	4
2. Definitions	4
3. Conditions for acting as a Player	5
3.1 Requirements	5
3.2 Entire contractual basis	5
4. Register of Players	6
5. Capacity Agreements in the Upstream Pipeline	6
6. Nomination.....	6
6.1 Nominations before the Gas Day	6
6.2 Renominations for the entire Gas Day	6
6.3 Renominations for the remaining Hours of the Gas Day.....	7
6.4 Conditions for Nomination and Renomination.....	7
6.4.1 Suspension of Renomination rounds and extension of lead times	7
6.4.2 Requirements concerning combined Nominations and Renominations.....	7
6.4.3 Latest Nomination or Renomination received before a deadline ..	7
6.4.4 Automatic procedures.....	7
6.5 Principles for reduction in Nominations, Accepted Nominations and Renominations.....	8
6.5.1 Priority of Nominations and Renominations in respect of Firm and Interruptible Capacity.....	8
6.5.2 Reduction due to repairs, maintenance or reduced capacity.....	9
6.5.3 Reduction due to failure to comply with Quality and Delivery Specifications.....	9
6.5.4 Restrictions and reductions due to Emergency or Force Majeure	9
6.6 Matching procedure for Upstream Pipeline.....	9
7. Allocation	9
7.1 Allocation principle applied at the Entry and Exit Points.....	9
7.2 Update of Allocations and settlement principles.....	10
7.2.1 Update of Allocations	10
8. Delivery and redelivery conditions.....	10
8.1 Conditions concerning Upstream Pipeline.....	10
8.2 Liability, risk and right of disposal.....	10
9. Balancing.....	10
10. Repair and maintenance	10
11. Quality and Delivery Specifications.....	11
11.1 Quality and Delivery Specifications	11
12. Metering	11
13. Technical Facilities	11

14. Reduced capacity	11
15. Force Majeure	11
16. Security of supply	11
17. Charges and fees	11
18. Invoice and payment	12
19. Credit approval	12
20. Assignment and transfer	12
21. Venue and applicable law	12
22. Termination and liability	12
23. General provisions	12

1. Introduction

1.1 Legal frame

This version of General Terms and Conditions for Gas Transport in the Upstream Pipeline is prepared in regard to section 5 of Executive Order No 1410 of 16th December 2019 on access to upstream pipeline networks and to upstream facilities (opstrømsbekendtgørelsen)¹.

These General Terms and Conditions apply to the Upstream Pipeline as defined under section 2.

1.2 Legal basis

Pursuant to section 5 of Executive Order No 1410 of 16th December 2019 on access to upstream pipeline networks and to upstream facilities anyone are, against payment, entitled to use the Upstream Pipeline to transport natural gas.

Energinet has drawn up these General Terms and Conditions for Gas Transport in the Upstream Pipeline.

As stipulated in section 5 of Executive Order No 1410 of 16th December 2019 notification of these General Terms and Conditions for Gas Transport in the Upstream Pipeline has been made to the Danish Utility Regulator.

General Terms and Conditions for Gas Transport in the Upstream Pipeline contains references to Energinet's General Terms and Conditions for Gas Transport where same terms and conditions apply.

1.3 Commencement

General Terms and Conditions for Gas Transport in the Upstream Pipeline enters into force in their final version on 3 February 2023.

2. Definitions

Unless otherwise indicated by the context, the following terms in these Terms and Conditions for Gas Transport in the Upstream Pipeline shall be understood as stated below.

General Terms and Conditions for Gas Transport is Energinet's General Terms and Conditions for Gas Transport applicable at any time.

Upstream Pipeline is the EP II branch pipeline connecting the Norwegian upstream system with the Danish transmission system.

Reference to General Terms and Conditions for Gas Transport section 2 in addition to the definitions listed above.

¹ Bekendtgørelse nr. 1410 af 16. december 2019 om adgang til opstrømsrørledningsnet og til opstrømsanlæg.

3. Conditions for acting as a Player

3.1 Requirements

In order for Shippers, Gas Suppliers, Direct Consumers, Storage Customers or Biomethane Sellers to act as such in the Danish Gas Market, they must satisfy the following conditions:

	Conclude Framework Agreement	Obtain credit approval	Registered in the Register of Players	Conclude Online Access Agreement	Conclude a Gas Supplier Agreement with the Distribution Company	Gas Supplier' s IT system must be tested and approved for EDI-based Communication	Conclude a Biomethane Seller Agreement with the relevant Network Owner	Have the right to deliver Biomethane to the Danish Gas System, on the basis of an agreement with the producer of biogas or the owner of the upgrading plant	Concluded Negotiated Agreement for Upstream Pipeline
Shipper	x	x	x	x					x
Gas Supplier	x		x		X	x			
Direct Consumer	x	x	x						
Storage Consumer	x		x						
Biomethane Seller	x		x				X	x	

3.2 Entire contractual basis

The entire contractual basis for Shippers, Gas Suppliers, Direct Consumers, Storage Customers or Biomethane Sellers consists of:

	General Terms and Conditions	Framework Agreement	Terms and Conditions for CTF	Terms and Conditions for GTF	Terms and Conditions for ETF	GTCs for PRISMA and/or GSA Platform	Rules for Biomethane	Gas Supplier Agreement with the Distribution Company	Terms and Conditions for Gas Supplier	Biomethane Seller Agreement with the relevant Network Owner	General Terms and Conditions for Gas Transport in the Danish Gas System	Negotiated agreement
Shipper	x	x	x	x	x	(x)	x				(x)	(x)
Gas Supplier	x	x						x				
Direct Consumer	x	x										
Storage Consumer	x	x							x			
Biomethane Seller	x	x					x			X		

4. Register of Players

Reference to General Terms and Conditions for Gas Transport section 4:

- General (section 4.1),
- Master Data (section 4.2)

5. Capacity Agreements in the Upstream Pipeline

As stipulated in section 5 of Executive Order No 1410 of 16th December 2019 Energinet shall offer negotiated TPA (Third Party Access) to the Offshore Pipeline.

Energinet can be contacted at gasinfo@energinet.dk

The indicative standard transport cost price is published on Energinet's website.

6. Nomination

6.1 Nominations before the Gas Day

For the purpose of having Natural Gas transported in the Upstream Pipeline, the Shipper must make Nominations. If no Nominations are made, no Natural Gas shall be delivered/redelivered.

Nominations for the Upstream Pipeline:

Nominations made by the Shippers before the Gas Day shall take place not later than 14:00 on each Gas Day and with effect from 06:00 on the following Gas Day. Energinet shall be in receipt of: The Natural Gas quantities, expressed in kWh/Hour, to be delivered in the North Sea entry point. The North Sea Entry entry point will automatically be copied to an exit nomination at Nybro.

Notwithstanding the above, Adjacent Systems may have special requirements with respect to notice periods for the Shipper Codes. The Shipper may carry out Nominations for each Hour for longer periods of time (e.g. weekend, Week, Month or Year) prior to the expiry of the time limit set in clause 6.1

- a) The Nominations performed at 14:00 for the following Gas Day, see clause 6.1, can be revised if Energinet receives a revised Nomination from the Shipper before 16:00.
- b) On each Gas Day before 18:00, Energinet shall inform the Shipper:
 - I. whether the Nominations for the following Gas Day have been accepted;
 - II. whether one or more of the Nominations have been reduced or refused, see clause 6.4 and 6.5; and
 - III. whether one or more of the Nominations have been reduced or refused by Energinet or an Adjacent System operator in connection with Matching, see clause 6.6.

6.2 Renominations for the entire Gas Day

The Shipper's Accepted Nominations can be revised for all 24 Hours of the following Gas Day by performing Renomination:

Following applies for the Upstream Pipeline;

- a) From 18:00 until 04:00 before the Gas Day, the Shipper can revise its Accepted Nominations with a 2-Hour lead time after each Hour commenced. For example, a Renomination received by Energinet at 18:25 must be confirmed before 21:00 on the same Gas Day.
- b) Within the said 2-Hour lead time after the beginning of each Hour on each Gas Day, Energinet shall inform the Shipper:
 - I. whether the Renominations before the Gas Day have been accepted;

- II. whether one or more of the Renominations have been reduced or refused, see clause 6.4 and 6.5;
- III. whether one or more of the Renominations have been reduced or refused by Energinet or an Adjacent System operator in connection with Matching, see clause 6.6; and
- IV. whether the Shipper's Counterparty has made new Renominations in the Adjacent Systems.

6.3 Renominations for the remaining Hours of the Gas Day

The Shipper's Accepted Nominations for the remaining Hours of the Gas Day can be revised by performing Renomination for the remaining Hours of the Gas Day: Following applies for Upstream Pipeline

- a) From 04:00 before the Gas Day until 03:00 on the Gas Day, the Shipper can revise its Accepted Nominations with a 2-Hour lead time after each Hour commenced. For example, a Renomination received by Energinet at 20:30 on a Gas Day will only be effective for the remaining Hours of the Gas Day after 23:00 (23:00 - 06:00).
- b) Within the said 2-Hour lead time Energinet shall inform the Shipper:
 - I. whether the Renominations for the Gas Day have been accepted;
 - II. whether one or more of the Renominations have been reduced or refused, see clause 6.4 and 6.5;
 - III. whether one or more of the Renominations have been reduced or refused by Energinet in connection with Matching, see clause 6.6; or
 - IV. whether the Shipper's Counterparty has made new Renominations in the Adjacent Systems.

6.4 Conditions for Nomination and Renomination

6.4.1 Suspension of Renomination rounds and extension of lead times

In special circumstances, Energinet reserves the right to suspend the option for Renominations and extend the lead time of one/two Hours. In such case, the Shippers will be informed accordingly by email sent to the Nomination User.

6.4.2 Requirements concerning combined Nominations and Renominations

Whether or not a Shipper has one or more Capacity Agreements for the same Upstream Capacity, the Shipper shall make only one combined Nomination or Renomination, as the case may be, of Natural Gas quantities for each Counterparty at the relevant Points.

The Shippers' obligation to make one combined Nomination for each Counterparty also applies to Shippers' portfolio of Firm Capacity, Interruptible Capacity and/or Interruptible Over-Nomination in pursuance of their Capacity Agreements.

6.4.3 Latest Nomination or Renomination received before a deadline

If the Shipper revises an existing Nomination/Renomination before the expiry of a deadline for Energinet's receipt hereof, the latest received Nomination/Renomination within such deadline shall apply. This principle shall apply despite the method of communication (Nominations/Renominations sent by Edig@s XML communication or through Energinet Online) used by the Shipper.

6.4.4 Automatic procedures

All Nomination and Renomination procedures are fully automatic. Therefore, Energinet cannot grant the Shipper's extraordinary request for changes in Nominations, Accepted Nominations and Renominations hereof.

The Shippers are, on a best-efforts basis, obliged to check the Accepted Nominations and shall in due time endeavour to correct any errors by making new Renominations and communicating with their relevant Counterparties.

However, if the Shipper has not received an Accepted Nomination message within the 2-Hour lead time after the Nomination has been sent, the Shipper shall inform Energinet accordingly without undue delay. If the lack of an Accepted Nomination message is due to technical problems with Energinet Online or errors and omissions on the part of Energinet, Energinet shall use its best endeavours to provide the flow nominated by the Shipper. If the lack of an Accepted Nomination message is due to errors and omissions on the part of the Shipper, Energinet shall use its best endeavours to realise the flow which the Shipper originally wanted to nominate.

6.5 Principles for reduction in Nominations, Accepted Nominations and Renominations

If Energinet reduces the Shipper's Nominations, Accepted Nominations and Renominations in accordance with clauses 6.5.1 and 6.5.3 - 6.5.5, all relevant Nominations, Accepted Nominations and Renominations will be reduced on a pro rata basis. Notwithstanding the above, each Shipper may prioritise its Shipper Code pairs in the order in which its Nominations and Renominations shall be reduced. This can be done by prioritising the relevant Shipper Code pairs in connection with the combined Nomination and Renomination.

6.5.1 Priority of Nominations and Renominations in respect of Firm and Interruptible Capacity

The Nominations of Firm and Interruptible Capacity are ranked in relation to each other by Energinet. A Shipper's Nomination of Firm Capacity at an Entry or Exit Point is given a higher priority than (part of) a Shipper's Nomination of Interruptible Capacity. Accordingly, a Shipper's Accepted Nomination of Interruptible Capacity can be changed if another Shipper with a Firm Capacity Contract makes a Renomination of Firm Capacity.

Energinet shall always:

- a) give higher priority to Nominations and Renominations of Firm Capacity than Nominations and Renominations of Interruptible Capacity; and
- b) give higher priority to Nominations and Renominations of Interruptible Capacity than Nominations and Renominations of Interruptible Over-Nomination.

If several Shippers have acquired Interruptible Capacity, and the total of Nominations exceed the available Firm Capacity, the priority of Nominations in relation to Interruptible Capacity shall be determined based on the contractual timestamp of the respective Capacity Agreements governing Interruptible Capacity.

Capacity Agreements concerning Interruptible Capacity coming into force earlier shall prevail over Capacity Agreements concerning Interruptible Capacity coming into force later. If, after applying the procedure described in the preceding, two or more Nominations are ranked at the same position and Energinet does not reduce all of them to zero, a pro rata reduction of these specific Nominations shall apply.

Notwithstanding the above, Energinet is not responsible for any Matching and curtailment performed by operators of the Adjacent System and by the operator of the Non-domestic Transmission System.

The pro rata distribution of excess Capacity between Shippers with Interruptible Capacity is based on the Nominations and Renominations most recently received from each Shipper and its Counterparties.

The pro rata distribution of Nominations relating to Interruptible Capacity is not final until Energinet has accepted or reduced the last possible Renominations for a given Hour by means of an Accepted Nomination. Accordingly, an Accepted Nomination of Interruptible Capacity received by the Shipper more than 1 Hour before the Hour to which the underlying Nomination relates, can be changed.

6.5.2 Reduction due to repairs, maintenance or reduced capacity

Energinet may reduce the Accepted Nominations if the Capacity is temporarily reduced in all or part of the Transmission System, Storage Facilities or Adjacent Systems due to:

- a) repair and maintenance being conducted, see clause 10 as well as RGS; or
- b) physical or operational circumstances, in which case Energinet or Gas Storage Denmark issues a reduced capacity notice, see clause 14 as well as RGS.

6.5.3 Reduction due to failure to comply with Quality and Delivery Specifications

If the Natural Gas does not comply or is not expected to comply with the Quality and Delivery Specifications and Energinet, Gas Storage Denmark, the operator of the Adjacent System or the operator of the Non-domestic Transmission System refuse to receive, at the Entry, Storage, Exit or Network Separation Point(s), the Natural Gas transported by the Shipper, see section 11, the Shipper's Accepted Nominations, Renominations or supply plans hereof shall be reduced for the number of Hours/Gas Days the situation persists

6.5.4 Restrictions and reductions due to Emergency or Force Majeure

Energinet is entitled to implement restrictions in relation to a Shipper's Nominations, reduce Accepted Nominations and Renominations hereof in Emergency, see clause 16 or Force Majeure, see clause 15

6.6 Matching procedure for Upstream Pipeline

Before and during the Gas Day, Energinet, operators of the Adjacent System undertake continuous Matching of:

- a) the Shipper's latest Nominations for the Upstream Pipeline in the entry- and exit point

If Matching is undertaken on the basis of Renominations received from the Shippers or their Counterparties after 04:00 before the Gas Day, this will in pursuance of clause 6.3 a) only be effective for the remaining Hours of the Gas Day.

If a Shipper's most recent Nomination and Renominations do not correspond to the most recent Nominations and Renominations made by its Counterparties at the relevant Points, the Accepted Nominations shall be reduced to the lowest of the values nominated or renominated in both entry and exit points.

7. Allocation

Allocation of Natural Gas quantities is used as the basis for determining the Shipper's payment in the Upstream Pipeline.

7.1 Allocation principle applied at the Entry and Exit Points

At the Entry and Exit Points a quantity of Natural Gas corresponding to the Accepted Nomination is allocated to the Shipper every Hour, while the difference between the Accepted Nomination and the measurement performed at the points in question is allocated to a buffer account handled by operators of the Adjacent System and Energinet.

Energinet shall before 14:00 on each Gas Day inform the Shipper of the Natural Gas quantities allocated on the preceding Gas Day provided that Energinet has received the data required for Matching, and thus for Allocation, from the Adjacent System operators.

7.2 Update of Allocations and settlement principles

7.2.1 Update of Allocations

The Allocation is updated and communicated to the relevant Players in accordance with the following routines:

- a) The daily routine takes place immediately after the end of each Gas Day on the basis of Unvalidated Data. Meter data are collected and the sums are calculated.
- b) The monthly routine takes place after the end of each month and is based on Validated Data. Meter data are recollected and the sums resulting from the daily routine are recalculated.
- c) The 1st Correction takes place 4 months after the Month in question and is based on the most recent set of corrected meter data. All meter data are recollected and the sums are recalculated. The detailed rules on 1st Correction and the basis of this procedure are provided in the RfGD and Rules for Biomethane, respectively.
- d) The 2nd Correction takes place 15 months after the Month in question and is based on the most recent set of corrected meter data. All meter data are recollected and the sums are recalculated. The detailed rules on 2nd Correction and the basis of this procedure are provided in the RfGD and Rules for Biomethane, respectively.
- e) Independently of the 1st and 2nd Corrections, Energinet may choose to initiate an extraordinary correction if, for quite exceptional reasons, Energinet considers such procedure necessary.

8. Delivery and redelivery conditions

8.1 Conditions concerning Upstream Pipeline

Upon delivery or redelivery of Natural Gas to and from the entry and exit point, an hourly quantity of Natural Gas corresponding to the Accepted Nomination shall be considered as having been supplied in the same Hour

8.2 Liability, risk and right of disposal

At the Entry Point the liability and risk for the Natural Gas and the right of disposal to the Natural Gas shall pass from the Shipper to Energinet. The foregoing shall not affect the Shipper's liability according to clause 11.3 e).

9. Balancing

A shipper will per definition always be balanced each hour, as the input value at the North Sea Entry point always will be equal to the offtake value at the Nybro exit point on an hourly basis. As a Shipper therefore is always balanced, no imbalance costs applies.

10. Repair and maintenance

Reference to General Terms and Conditions for Gas Transport section 10:

- Repair and maintenance (section 10.1)

11. Quality and Delivery Specifications

11.1 Quality and Delivery Specifications

Shippers shall ensure that Natural Gas delivered to the Danish Gas System at the Entry Points complies with the version of the Danish gas regulations applicable at any time, the technical specifications for Natural Gas in the "2nd gas family, Group H", and the Quality and Delivery Specifications set out in Appendix 1 as subsequently amended.

Reference to General Terms and Conditions for Gas Transport section 11.3 og 11.4:

12. Metering

Reference to General Terms and Conditions for Gas Transport section 12.1-12.5:

13. Technical Facilities

Reference to General Terms and Conditions for Gas Transport section 13.

14. Reduced capacity

If physical or operational matters result in temporarily reduced capacity in all or parts of the Upstream Pipeline, Energinet may issue a reduced capacity notice to the Shippers.

If a reduced capacity notice is issued, Energinet is entitled to order Shippers to reduce on pro rata basis or interrupt deliveries and offtake in the Danish Gas System for as long as capacity is reduced in all or parts of the Upstream System. Via the Gas Suppliers the Shipper shall ensure that the Consumers relevant to the Shipper comply with the order.

15. Force Majeure

Reference to General Terms and Conditions for Gas Transport section 15:

- General (Section 15.1)
- General consequences of Force Majeure (Section 15.2)
- Information (Section 15.3)
- Energinet's rights and obligations during a Force Majeure situation (Section 15.4)
- Energinet's Force Majeure (Section 15.5)
- The Shipper's Force Majeure (Section 15.6)
- Extended Force Majeure (Section 15.7)

16. Security of supply

Reference to General Terms and Conditions for Gas Transport section 16:

- Early Warning (Section 16.1),
- Alert (Section 16.2),
- Emergency (Section 16.3),
- Collaboration (Section 16.4), and
- Protected and Non-Protected Consumption Sites (section 16.5)
-

17. Charges and fees

As stipulated in section 5 of Executive Order No 1410 of 16th December 2019 Energinet shall offer negotiated TPA (Third Party Access) to the Offshore Pipeline.

Energinet can be contacted at gasinfo@energinet.dk.

The indicative standard transport cost price is published on Energinet's website.

18. Invoice and payment

Reference to General Terms and Conditions for Gas Transport section 18 Version 22.0 regarding:

- Off-spec fees (Section 18.2)
- Payment (Section 18.4),
- Due dates (Section 18.5),
- Late payment (Section 18.6),
- Disagreement on payments etc. (Section 18.7), and
- Errors or inaccuracies (Section 18.8)

19. Credit approval

Reference to General Terms and Conditions for Gas Transport section 19:

- Credit approval of the Shipper (section 19.1), and
- Credit approval of the Direct Consumers (section 19.2)

20. Assignment and transfer

With the prior written acceptance by Energinet, a Shipper may assign all of its rights and obligations pursuant to a Capacity Agreement to another Shipper. If Energinet does not accept such assignment, it shall state the reasons.

21. Venue and applicable law

Reference to General Terms and Conditions for Gas Transport section 21:

- Venue (section 21.1),
- Applicable law (section 21.2), and
- Priority (section 21.3)

22. Termination and liability

Reference to General Terms and Conditions for Gas Transport section 22:

- Termination due to breach of agreement (Section 22.1),
- Liability (Section 22.2), and
- Termination without cause of the Shipper Framework Agreement (Section 22.3)

23. General provisions

Reference to General Terms and Conditions for Gas Transport section 23:

- Confidentiality (section 23.1)
- Headings (section 23.2)
- Passivity (section 23.3)