ANNEX 16A

PROCEDURE FOR ALLOCATING ELECTRICITY CONSUMPTION, EXCISE TAXES, AND REGIONAL SURCHARGES

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16A.1 BREAKDOWN OF COSTS FOR ELECTRICITY CONSUMPTION

The Storage Company assigns the Shippers of Hydrocarbon Storage, Modulation, and Balancing Services, whose Allocations are in alignment with the predominant flow of the FP_i system, charges to cover the electricity consumption of the compression and treatment stations and recognises an amount equal to the avoided cost of this consumption to Shippers whose allocations are of the opposite sign of the FP_i, as specified in the following procedure and subject to the provisions of para. 16.4.1..

The following is defined:

$$EE_{\%} = \frac{\sum_i EE_i}{\left|\sum_P S_k\right|}$$

Where:

EE_i = value in Euro, attributable to the physical movement of Gas withdrawn from and injected into the System, of charges to cover the electricity consumption necessary for the operation of the compression and treatment plants reported for Period P detected at the i-th storage site;

S_k = value of the Allocation for Period P of the k-th Shipper of the Hydrocarbon Storage, Modulation and Balancing Service on Gas-Day G at the virtual interconnection point corresponding to the storage hub. The values of S_k are understood to be positive if they concur with FP_i and negative if they do not concur. Until 31 March 2013, the values of S_k are understood to be positive if they are consistent with the measured physical flow and deemed equal to zero for the purposes of the application of the above formula in the other cases.

The Storage Company allocates the charges to cover the electricity consumption necessary for the operation of the compression and treatment plants in proportion to the total volume allocated to the Shipper according to the following criteria:

a) The Shipper who moved gas at the storage site in the same direction as FP_i shall be attributed an Electricity Cost Cel_k equal to the percentage of EE% relating to the direction of FP_i applied to the quantity of gas moved;

b) The Shipper who moved gas at the storage site in the opposite direction to FP_i shall be attributed an amount Cel_k in Euro equal to the percentage of EE% relating to the direction of FP_i applied to the quantity of gas moved.

Cel_k is calculated using the following formula:

$$Cel_k = S_k \times EE_{\%}$$

Until 31 March 2013, only letter a) shall be applied to Shippers who moved gas consistently with the physical flow of the System and letter b) shall not be applied.

16A.2 BREAKDOWN OF EXCISE TAXES

Excise taxes for gas consumption, calculated as defined in paragraph 8.23 of the chapter "Balancing and Replenishment of Storage Sites" are broken down based on the following criteria:

The Storage Company allocates to the Shipper the excise taxes inherent in gas consumption in proportion to the total volume allocated to the Shippers of the Hydrocarbon Storage, Modulation, and Balancing Services according to the following criteria:

a) The Shipper who moved gas at the storage site in the same direction as FP_i shall be attributed excise taxes $ACC_{gas,k}$ calculated using the following formula (1):

b) The Shipper who moved gas at the storage site in the opposite direction as FP_i shall be attributed excise taxes $ACC_{gas,k}$ calculated using the following formula (1), with the exception of that envisaged in para. 16.4.1.

Until 31 March 2013, only letter a) shall be applied to Shippers who moved gas consistently with the physical flow of the System and letter b) shall not be applied.

$$ACC_{gas,k} = \frac{\sum_{g=1}^{P} AC_{k,g}}{\sum_{g=1}^{P}\sum_{K} AC_{k,g}} \times ACC_{GAS} \qquad \textbf{(1)}$$

Where:

ACC_{GAS} is the total amount of excise taxes for gas consumption recorded in Period P, equal to $\sum_{g=1}^{P}\sum_{K} AC_k$, calculated as defined in paragraph 8.3 of the chapter "Balancing and Replenishment of Storage Sites";

$ACC_{gas,k}$ is the percentage ACC_{GAS} charged to Shipper U in Period P;

$\sum_{g=1}^{P}\sum_{K} AC_k$ is the total internal consumption of gas of all of the k storage sites forming the System recorded during Period P;

$\sum_{g=1}^{P} AC_{k,g}$ is the internal consumption of gas allocated to Shipper U in Period P, as defined in paragraph 8.3 of the chapter "Balancing and Replenishment of Storage Sites";

16A.3 BREAKDOWN OF REGIONAL SURCHARGES

Regional surcharges for gas consumption, calculated as defined in paragraph 8.3 of the chapter "Balancing and Replenishment of Storage Sites" are broken down based on the following criteria:

The Storage Company allocates to the Shipper the regional surcharges inherent in gas consumption in proportion to the total volume allocated to the Shippers of the Hydrocarbon Storage, Modulation, and Balancing Services according to the following criteria:

c) The Shipper who moved gas at the storage site in the same direction as FP_i shall be attributed regional surcharges $AR_{gas,k}$ calculated using the following formula (2);

d) The Shipper who moved gas at the storage site in the opposite direction as FP_i shall be attributed regional surcharges $AR_{gas,k}$ calculated using the following formula (2), with the exception of that envisaged in para. 16.4.1.

Until 31 March 2013, only letter c) shall be applied to Shippers who moved gas consistently with the physical flow of the System and letter d) shall not be applied.

$$AR_{gas,k} = \frac{\sum_{g=1}^{P} AC_{k,g}}{\sum_{g=1}^{P}\sum_{K} AC_{k,g}} \times AR_{GAS}$$

Where:

AR_{GAS} is the total amount of regional surcharges for gas consumption recorded in Period P, equal to $\sum_{g=1}^{P}\sum_{K} AC_{k}$, calculated as defined in paragraph 8.2 of the chapter "Balancing and Replenishment of Storage Sites";

$AR_{gas,k}$ is the percentage AR_{GAS} charged to Shipper U in Period P;

$\sum_{g=1}^{P}\sum_{K} AC_{k}$ is the total internal consumption of gas recorded for all of the k storage sites forming the System;

$\sum_{g=1}^{P} AC_{k,g}$ is the internal consumption of gas allocated to Shipper U in Period P, as defined in paragraph 8.2 of the chapter "Balancing and Replenishment of Storage Sites";