

Appendix 7

AUCTION RULES

1. INTRODUCTION

These conditions set forth the rules regarding the Auction of Storage Space at Swedegas' gas storage Skallen. The Auction is conducted with closed bids and results in an Auction Price.

The Auction takes place between 11.00-12.00 CET **2021-03-31**. Definitions in this Appendix is found in Appendix 1. The Balance Administrator who participates as a Bidder in the Auction accepts the terms in Appendix 7 and the other Appendices to the Storage Contract. Accepted Bids in the Auction results in a Storage Contract between the Storage Customer and Swedegas. All energy information in Appendix 7 is stated in Upper Calorific Value.

2. AUCTION OFFERING

Swedegas offers a 30/30 days product during the period 2021-05-01 - 2022-04-30. Total storage space amounts to 81 GWh. Agreed Storage Space comes with the right to Primary Input Capacity and Primary Offtake Capacity.

- Input fee will be added of 10 SEK/MWh.
- Primary Input Capacity: 0.14% kWh/h of the Agreed Storage Space
- Primary Input Capacity: 0.15% kWh/h of the Agreed Storage Space
- Extra input and offtake capacity can be purchased at nomination. See Appendix 3 for conditions.
- Reservation price in the Auction is 35 SEK/MWh. Bids below 35 SEK/MWh are thus not accepted in the Auction.

3. AUCTION PROCESS

The Auction is decided in one round. Bids must have been received between 11.00 - 12.00 CET **2021-03-31**. Swedegas will confirm to the Bidder that the Bid has been received. The communication between Swedegas and the Bidder takes place via e-mail to gaslager@swedegas.se or gaslager@nordionenergi.se. A bid sheet is published on Swedegas' website before the Auction. Bids are submitted by sending a completed bid sheet by email to gaslager@swedegas.se or gaslager@nordionenergi.se. Bidder must fill in Bidder's identity and contact details.

There are **two different bid sheets** that **can be submitted**:

BID SHEET A:

Bid sheet shall be filled with the following information/conditions:

- Storage space for each bid, expressed in GWh without decimals
- Price for each bid, expressed in SEK/MWh.

The minimum bid accepted is 1 GWh and the maximum is 81 GWh.

BID SHEET B:

Bid sheet shall be filled with the following information:

- Price for the **whole storage space** (81 GWh), expressed in SEK/MWh.

Bidder must decide if they would like to bid **just one of bid sheets or both of them.**

When the Auction has closed, the Agreed Storage Space will be allocated to the Bidder/s in the following order:

- Bids with a lower price than the reservation price are not accepted.

BID SHEET A:

- Bids received are ranked from highest to lowest Price.
- If the total Bids received exceed 81 GWh, the first Bid, Exceeding Bids, which causes 81 GWh to be exceeded, will be reduced so that a total of 81 GWh is reached.
- If there is a Bid with an identical price that also is an "Exceeding Bid", the Bid with the highest specified storage space is selected. If both storage space and Price are identical, the Exceeding Bids are distributed pro rata between the Bidders.
- If there is no Exceeding Bid, the Bid Sheet A Price will be determined by the last accepted Bid before 81 GWh has been reached. If there is an Exceeding Bid, the Price in the Exceeding Bid also constitutes the Bid Sheet A Price.

BID SHEET B:

- Highest Price for the whole storage space (81 GWh) constitutes the Bid Sheet B Price.
- If there are two or more Bids with an identical Price, those Bidders will be invited to submit a second Bid. The second Bid must be higher than the first Bid. Highest second Price for the whole storage space (81 GWh) will constitute the Bid Sheet B Price. If none of them submit a second Price, or second Price are also identical, the Bid Sheet B Price will be selected according to the earliest highest Bid submitted.

The **Auction Price** will be the highest price of the Bid Sheet A Price and the Bid Sheet B Price:

- If it is the Bid Sheet A Price, the Auction Price determines the Price for all bids awarded.
- If it is the Bid Sheet B Price, the whole storage space (81 GWh) will be allocated to the Bidder who bids the highest price (i.e. just one Storage Customer).
- If the Bid Sheet A Price is equal to the Bid Sheet B Price, the Bid Sheet A Price will be selected for all bids awarded.

All Bidders will be notified of the result of the Auction no later than **14.00 2021-03-31**.

The Auction Price in the Auction constitutes the subscription charge in Appendix 3 to the Storage Contract. Accepted Bids in the Auction result in a Storage Contract between the Storage Customer/s and Swedegas.

4. OTHER

Swedegas has the right to make any decisions regarding the execution of the Auction, including suspension, postponement or restarting the Auction due to technical or operational reasons in the event of obvious errors in the bidding process. In such cases, Swedegas shall promptly notify the Bidders.

No Bidder is entitled to compensation for damages caused by the Auction being suspended, postponed or restarted.

Swedegas shall keep the content of all individual bids confidential.

When the Auction has ended, Swedegas shall notify the Bidders who have been allocated storage space. Other Bidders shall be notified of the Auction Price and the total Agreed Storage Space, which shall also be published on Swedegas' website.

Swedegas will, after the Auction has ended, send a Storage Contract to the Storage Customer/s who has been allocated storage space in the auction.