

BALANCE SETTLEMENT

1 GENERAL

1.1 Responsibility for settlement

Swedegas has jointly with Energinet appointed the task of balance settlement of the Balancing Area to the Balancing Area Manager. This assignment to the Balancing Area Manager is limited to the periods during which joint balancing of the Balancing Area can be maintained.

1.2 Basic rules

Balance settlement is based on measured figures reported by the Network Operators and other information submitted by the Balance Administrator in accordance with Annex 3.

The following also applies to balance settlement:

- a) There must be a Balance Administrator for each ordered and approved input or offtake from a Gas Storage Facility.
- b) With the exception of Dragör there must be a Balance Administrator for all other Entry and Offtake points.

1.2.1 During joint balancing of the Balancing Area

The inputs to and offtakes from the Balancing Area by the Balance Administrator shall be settled according to Annex 6 section 7. The basis for the settlement values set forth in Annex 6 sections 7.7 and 7.8 follows from sections 1.3, 2.2 and 3.2 below.

1.2.2 During National Balancing

Balance settlement for the Western Sweden Natural Gas System and the Balance Administrator's entry at Dragör will be based on information from Energinet or based on facts that Swedegas with reasonable basis can allocate to the Balance Administrator.

1.3 Estimation of missing Metered Values

In cases where Swedegas is lacking one or more Metered Values from Network Operators at the time of the settlement, the Balance Administrator is subject to daily settlement as follows.

If the total absolute value in the figures reported by the Network Operators for consumption or production exceeds the corresponding absolute value in the supply plan, the Balance Administrator will be subject to daily settlement based on the reported figures. Otherwise, the Balance Administrator will be subject to settlement based on the corresponding figure in its supply plan. The Balance Administrator can request that certain metering series are excluded from use in accordance with this rule. Any such request must be made in advance in accordance with Swedegas instructions.

2 DAILY SETTLEMENT

2.1 Calculation of the preliminary Daily Imbalance Quantity

The preliminary Daily Imbalance Quantity is calculated as soon as the Metered Values for the last Gas Day have been received. The preliminary Daily Imbalance Quantity does not form a basis for the charging of Balance Gas. Calculation for periods with National Balancing is performed by Swedegas and for other periods by the Balancing Area Manager.

2.2 Reporting of results

No later than 12 noon on the day after the Delivery Day, Swedegas reports data for each Delivery Day covering metered production, input to and offtake from Gas Storage Facility and consumption reported by the Network Operators.

In the case of technical communication problems or other technical problems, reporting may take place after 12 noon. If this reporting is delayed on Weekdays, Swedegas must inform the Balance Administrator of the delay.

For a Delivery Day with joint balancing of the Balancing Area, Swedegas reports the figures above to the Balancing Area Manager who reports these together with remaining figures included in balance settlement for the Delivery Day.

3 FINAL SETTLEMENT

3.1 Calculation of Balance Gas

Calculation of the final Daily Imbalance Quantity per Gas Day is carried out after final Metered Values are obtained. The final Daily Imbalance Quantity forms the basis for the charging.

The confirmed final Daily Imbalance Quantity results in case of National Balancing in the purchase or sale of Balance Gas between the Balance Administrator and Swedegas. In other cases the confirmed Daily Imbalance Quantity results in the purchase or sale of Balancing Gas between the Balance Administrator and the Balancing Area Manager.

3.2 Reporting of results

Swedegas normally reports data for each Delivery Month by the 25th of the month after final metered production, final input to and offtake from Gas Storage Facilities and final consumption has been reported by the Network Operators.

Reports containing data on final metered production, final input to and offtake from Gas Storage Facilities and final consumption per network area and Balance Administrator are distributed on a monthly basis.

For other periods than periods under National Balancing, Swedegas reports the figures above to the Balancing Area Manager who reports these together with the remaining figures included in the balance settlement for the Delivery Month.