

## Auction Announcement Notice – Gas Loan Plus - 2024/12

Hungarian Gas Storage Ltd (hereinafter referred to as HGS) on this day announces an auction for using gas loan plus service for the period between **01.04.2025- 30.09.2025**. The capacity auction is carried out by HGS in line with the Storage Capacity Auction Regulation II/B document as per Annex No. 1.

### Auction Details:

Auction name	2024/12		Auction Type	Minimum price/Gas Loan	
Registration deadline	09.12.2024 13:00		Partial delivery	Yes	
Bid submission deadline	10.12.2024 11:00		Currency of the Bid	HUF	
Product	Gas Loan Plus_2025_2026		Maximum bid price	Auctioneer does not specify a Maximum Price for the Service Fee of the Gas Loan Plus Service – within this auction	
Bid period	01.04.2025 - 30.09.2025		Bid price unit of quantity	0.01	
Content of one bundle			Minimum number of bid bundles	1	piece
Natural gas energy	1 000 000	kWh	Maximum number of bid bundles	1 254	pieces
Working gas capacity	1 000 000	kWh	Bid/participant	1	piece
Injection capacity	11 112	kWh/day	<i>The bid price includes the loan fee of the natural gas energy and the relating capacity fee, but not the volume fees or the VAT.</i>		
Withdrawal capacity	11 112	kWh/day			
Injection cycle	01.07.2025 - 30.09.2025				
Withdrawal cycle	01.04.2025 - 30.06.2025				

The Auction can be accessed via HGS' IT Platform, following an early registration (<https://nom.mfgt.hu/SMCS.html>).

### Registration

At the capacity auction, bids can be made by only those capacity bidders that are eligible for storage access, and whose documents submitted during the registration process were accepted.

#### Documents required for registration:

- Original certificate of incorporation **not older than 30 days** in case of business organisations registered in Hungary and abroad, and its translated copy in Hungarian or in English (certified translation is not

required in case of companies registered in Hungary, the online version by the Hungarian Ministry of Justice is accepted (<http://www.e-cegjegyzek.hu/>) in case of business organisations registered abroad.

- **Original copy** of the “IT Platform (SMCS) Registration Datasheet and Power of Attorney” (Annex No. 5.3 of the HGS Code of Business Conduct: Storage Capacity Auction Regulation II/B, Annex No. 1) (Annex No. 3.)
- In case of business organisations registered in Hungary: copy of the specimen signature(s) or sample signature(s) countersigned by an attorney-at-law of the authorised signatory (signatories) signing the Power of Attorney.
- In case of business organisations registered abroad:
  - copy and translated English or Hungarian copy of the specimen signature(s) or sample signature(s) countersigned by an attorney-at-law of the authorised signatory (signatories) signing the “IT Platform (SMCS) Registration Datasheet and Power of Attorney”;
  - or the original copy of their sample signature signed in manuscript in the presence of two witnesses (Annex No. 5), and a copy of the signed side of a personal document belonging to the signatories (by mail or e-mail).

Our Company accepts the use of electronic signature if it complies with Article 3 12 of Regulation (EU) No 910/2014 as qualified electronic signature.

Where the IT Platform (SMCS) Registration Datasheet and Power of Attorney is signed using qualified electronic signature, the submission of specimen signatures/sample signatures is not required.

Participation in the capacity auction shall be conditional on the full and complete submission of the *documents required* for registration as specified above for the acceptance of the registration by HGS, which can take place by mail or by email, however, in the latter case, the *original* documents shall also be submitted prior to bidding, in the absence of which the registration is rendered invalid, and thus the bid cannot be evaluated. *Participant is obliged to inform HGS of any changes to the content of the documents subsequent to their submission.*

Furthermore, in order to participate in the capacity auction, the listed documents shall be delivered until the registration deadline specified for this auction. Although registrations received after the deadline specified in the registration process may be accepted, they only qualify the capacity bidder to submit bids on subsequent auctions announced in storage year 2024/2025, as they shall be considered as void in terms of this auction.

HGS reserves the right to request deficiency correction from the participant – if any formal or substantive deficiency or other non-conformity (e.g.: delay) is detected during the specific review of the documents submitted –, and the participant may not have valid registration for the auction unless such deficiency correction is performed within the deadline – set forth by HGS.

In case of a valid registration, HGS confirms the fact of registration to the Bidder by e-mail.

During registration, HGS shall be obliged to treat data submitted to the auction in a confidential manner and will not disclose them to any third party.

**Service offered, Gas Loan Plus:**

Borrower shall take over in the unified storage facility the total Gas Quantity awarded at the auction by the end of gas day 01 April 2025 together with the related capacity, and shall no later than

- a) between the gas days of 01 April 2025 and 30 September 2025 as chosen by the Borrower
- b) but until the end of the gas day of 30 September 2025 being the latest date, or
- c) until the end of the gas day specified in the Notification if Mandatory Return is required, return it.

A precondition for the product shall be the acceptance that after lending, upon notification from the Hungarian Energy and Public Utility Regulatory Authority (HEPURA) or upon a ministerial decree pursuant to Section 141/G (3) of the Gas Act (hereinafter referred to as Mandatory Return), the total Gas Quantity borrowed shall be replaced (injected) within the deadline specified in the notification sent by MFGT.

**Contracts to be concluded:**

- a) "Fixed-Term Contract on Using and Providing Bundled Natural Gas Storage Service between Storage Years" (Annex No. 4) and
- b) "Contract on Lending and Borrowing Natural Gas" (Annex No 5.)

**Fee of Gas Loan Plus Service offered:**

- a) Service Fee includes:
  - the fee payable by the Borrower (loan fee) for the period from making the Natural Gas Lent available to the Borrower until the return thereof + VAT,
  - the capacity fee related to the Gas Quantity Lent + VAT,

Service Fee excludes

- volume fees related to the withdrawal and injection of the natural Gas Quantity.

- b) Extent of Service Fee:

shall be determined by the product of the quantity request (kWh) submitted at the auction and the bid price offered for the full term of the loan (HUF/kWh).

- c) Splitting the Service Fee between the 2 contracts to be concluded:

The Service Fee (HUF/kWh) shall be split between the two contracts as follows:

- with regard to the “Fixed-Term Contract on Using and Providing Bundled Natural Gas Storage Service between Storage Years” (Annex No. 4), the Capacity Fee settled shall be **0.06 HUF/kWh**,
- the Service Fee (HUF/kWh) remaining from the bid price (HUF/kWh) shall be invoiced as Loan Fee in relation to the Contract on Lending and Borrowing Natural Gas (Annex No. 5).

If with regard to the subsequent period – even within the contractual period – the regulated unit price as per the tariff formula for the storage product calculated with injection and withdrawal capacities pursuant to the Capacity Booking contract decreases below the capacity fee (HUF/kWh/year) as per the Capacity Booking contract, the unit price (HUF/kWh/year) of the “Loan fee” shall be increased by the nominal difference between the contractual capacity fee (HUF/kWh/year) and the capacity fee calculated using the tariff formula after the tariff change. MFGT shall issue a document to be treated as an invoice regarding the Service Fee (Gas Loan fee) payable due to the tariff change.

In the event that the return takes place prior to the gas day of 30 September 2025, MFGT will not make any refund from the loan fee.

Neither primary, nor secondary trading of the Gas Loan Plus product is possible.

#### **Payment Conditions:**

The invoice on the Loan Fee is issued following the Gas Loan Contract takes effect, with a payment deadline being the 15<sup>th</sup> day from issuing the invoice. The total loan fee shall be invoiced by MFGT in advance to the borrower. Paying the total loan fee shall be the condition for crediting the Gas Quantity on the borrower’s gas balance sheet on 1 April 2025 at the earliest.

Volume and other product fees related to the Gas Loan shall be invoiced according to the monthly routine.

#### **Collateral:**

To guarantee the return of the Natural Gas Lent, Borrower shall provide – at its own discretion – bank guarantee or injected gas guarantee or a combination of these two collaterals to MFGT.

To guarantee the Fixed-Term Contract on Using and Providing Basic Natural Gas Storage Service between Storage Years, Borrower shall provide – at its own discretion – bank guarantee or injected gas guarantee.

Further details shall be contained in the contract templates and service description attached to the Offer.

#### **Final Provisions**

Awarded bidders shall be notified by HGS following the evaluation until 13:00 hours.

Following the auction, HGS and the successful Bidder of the relevant Gas Quantity shall conclude the contract template “Fixed-Term Contract on Using and Providing Bundled Natural Gas Storage Service between Storage Years” (Annex No. 4) and “Contract on Lending and Borrowing Natural Gas” (Annex No. 5) on the awarded units within 5 business days from the auction.

Auctioneer (HGS) explicitly reserves the right to withdraw without explanation the open storage electronic capacity Auction announced as capacity auction No. 2024/12. until the announcement of its results.

In the event that the Auction is withdrawn, Auctioneer will not compensate for any damage or cost incurred by the bidders.

**By participating in the auction, Bidders shall accept that due to existing storage bookings, HGS will not provide Express Service for the contractual period with regard to the quantities awarded at this capacity auction.**

Should you have any further questions or require information in relation to the auction, please consult the designated contact persons of HGS: Dóra Tóth (Phone: +36 20 236 1972, e-mail: [tothd@mfgt.hu](mailto:tothd@mfgt.hu)) sales specialist.

Annexes:

1. Storage Capacity Auction Regulation II/B
2. Electronic Auction System Guide
3. IT Platform (SMCS) Registration Datasheet and Power of Attorney
4. Fixed-Term Contract on Using and Providing Bundled Natural Gas Storage Service between Storage Years
5. Contract on Lending and Borrowing Natural Gas - Contract Template
6. Sample signature

*Budapest, 26 November 2024*