

Courtesy translation

Public consultation on the Regasification Code's amendment no n.14

Adriatic LNG proposes a consultation with the aim to enable the development of LNG market and regasification in Italy and Europe, including the related additional services both to regasification and Transport users.

Public consultation no n.14

Adriatic LNG proposes the following revisions to the Regasification Code:

- an amendment in order to provide a new additional services offered, the so-called Virtual Liquefaction Service dedicated to both regasification and transport users and to be allocated through an auctioning procedure;
- an amendment to the Regasification Code which makes it possible to include in the definition of the Redelivery point not only the Cavarzere entry point but also the PSV;
- an amendment to the Regasification Code to manage the allocated capacity within the same quarters of the year, in order to optimize the regasification capacity and the unloading slots;
- an amendment to facilitate the exchange of capacities between Users;
- an integration to the Annual Reconciliation in order to enable the parties to refer to Calendar Year as well as to Thermal Year in accordance with the existing contracts;
- update of both the LNG composition sampling procedures in compliance with the most recent "International Organization for Standardization" methodologies and of reference parameters for LNG analysis;
- harmonization of the units of measurement;
- introduction of the "*Portale Asta*", the web based platform for capacity allocation (including the secondary capacity).

Adriatic LNG with Consultation no 14:

- introduces the so-called Virtual Liquefaction Service which allows both the regasification user and the transportation user to deliver a quantity of Gas at the PSV on day D or on day D+1 to the Operating Company and to receive the availability of an equivalent quantity of LNG in the terminal storage, with following redelivery in a period not exceeding 90 days. The interested parties, operating on the balancing market, will therefore be able to take advantage of the flexibility resources, *via* auctioning procedures according to the *pay as bid* criterium and the timeframe as described in the Regasification Code and in the Technical Operating Provisions (DTF);
- proposes to include in the definition of redelivery point PSV in addition to Cavarzere entry point, in order to also enable the development of Virtual Liquefaction Service especially when requested by Transportation Users;
- introduces an optimization of the allocated capacity management and its distribution in the assigned slots, to be applied during the finalization of Annual Deliver Plan, if the operating conditions fit for the purpose to benefit users. It will



be possible for Users to request shifts of allocated capacity within the same quarters.

- Redefines the timing for requesting slot exchanges between Users and with non-allocated slots;
- updates the LNG composition sampling procedures in accordance with ISO 6976:2017. The update of the calculation of the quantity in BTU of the LNG delivered and the related conversion to other units of energy measurement;
- introduces the web based capacity allocation platform (including the allocation of secondary market capacity, as required by Article 12 of EU Regulation 2022/2576). The so-called "*Portale Asta*", organized and managed by the Operating Company, manages the procedures for the allocation of regasification capacity according with the Implementing Auction Rules and the Regasification Code.

In addition, market operators are invited to express their interest in the provision by Adriatic LNG of an additional service for the conversion of guarantees of origin and/or sustainability certificates of biomethane into bio-LNG, and *vice versa*, in accordance with the reference certification schemes. As part of this service, Adriatic LNG would therefore make available the conversion of guarantees of origin and/or sustainability certificates relating to the quantities of bio-LNG unloaded in the terminal storage or of biomethane delivered to the PSV, into guarantees of origin and/or biomethane sustainability certificates and *vice versa*, in line with the reference certification schemes.

For this purpose, Adriatic LNG would reserve the right to use the most appropriate certification at the moment of assessment and the user should prove its certification according to the reference scheme chosen by Adriatic LNG. For the aforementioned service, Adriatic LNG reserves the right to define fees, by declining them into a fixed charge (on a monthly or annual basis) and/or a variable charge.

It should be noted that the model of the Non-Foundation Capacity Agreement, referred to in Part IV of Annex (a) of the Regasification Code is the subject of the previous consultation no. 13. It will be updated at the end of the reference consultation and it is therefore not the subject of this consultation.

This consultation is opened to all interested operators; it begins on 25th May 2023 and ends on 10th July 2023. Please send your contributions to the following email address alng_mercato@adriaticlng.it.

Please clarify if your response shall be treated confidential, the absence of any provision regarding the confidentiality of your response is deemed to be a consent to Adriatic LNG to make it public.

25th May 2023