

## **Regulations of use of Inčukalns Underground Gas Storage Facility of the Joint-Stock Company “Latvijas Gāze”**

Approved pursuant to Section 15, Paragraph  
7, and Section 45<sup>2</sup>, Paragraphs 3 and 6 of the  
Energy Law

### **1 General regulations**

1 Regulations have been developed taking into consideration the derogation from several requirements specified in the Directive 2009/73/EC and granted to Latvia by Article 49 of the Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, as well as pursuant to Clause 32 of the Transitional provisions of the Energy law.

2 Regulations shall determine:

2.1 procedure of assignment of the reservation rights of the free capacity of the Underground Gas Storage Facility (hereinafter referred to as – the Storage Facility ) owned by the Joint-Stock Company “Latvijas Gāze” (hereinafter referred to as – the Storage Facility operator);

2.2 procedure of use of the Storage Facility and cases, when the Storage Facility operator shall be allowed to suspend or restrict use of the Storage Facility;

2.3 rights and duties of the Storage Facility operator;

2.4 rights and duties of the Storage Facility user;

2.5 settlement procedure for use of the Storage Facility;

2.6 time limits and procedure for the operator’s publishing of use conditions for the Storage Facility services.

3 Terms used in these regulations:

3.1 free capacity – part of the natural gas storage services: accumulation of natural gas into the Storage Facility, storage of natural gas in the Storage Facility and delivery thereof from the Storage Facility (hereinafter referred to as – the Storage Facility services) offered by the Storage Facility operator for use to the applicants;

3.2 physical overload of accumulation or delivery capacity– condition, when the demand for actual accumulation/delivery capacity at certain moment exceeds technical capacity of the Storage Facility;

3.3 accumulation season – period of time, during which the Storage Facility operator accumulates natural gas into the Storage Facility and which lasts every year approximately from April – May until October – November of the respective year;

3.4 delivery season – period of time, during which the Storage Facility operator delivers natural gas from the Storage Facility and which lasts every year approximately from October – November until March – April of the next year;

3.5 Storage Facility user – merchant, who receives Storage Facility services according to the contract concluded with the natural gas Storage Facility operator;

3.6 technical capacity of the Storage Facility – maximum possible capacity the Storage Facility operator shall be able to offer to the Storage Facility users taking into consideration the technical requirements of management of the Storage Facility services;

3.7 cubic meter (m<sup>3</sup>) – volume of natural gas occupying volume of one cubic meter at the temperature 293.15°K (20°C) and absolute pressure 101 325 Pa (1.01325 bar);

3.8 contract – a contract concluded between the natural gas Storage Facility operator and the Storage Facility user regarding provision and receipt of the Storage Facility services;

3.9 nomination – announcement of the Storage Facility user to the Storage Facility operator regarding the actual flow, which the Storage Facility user wants to accumulate into the Storage Facility and to deliver therefrom;

3.10 transmission system operator – the Joint-Stock Company “Latvijas Gāze” providing natural gas transmission services;

3.11 access application – a document, which is submitted by the applicant to the natural gas Storage Facility operator regarding reservation of free capacity of the Storage Facility of a part thereof;

3.12 applicant – a merchant, which has submitted the documents specified in Clause 18 of these regulations and wants to receive the Storage Facility services;

3.13 trader – the Joint-Stock Company “Latvijas Gāze” providing natural gas trade services.

4 The Storage Facility operator shall provide for the applicants objectively based, economically justified, fair, equal, non-discriminatory and transparent access to the free capacity determined pursuant to Clause 12 of these regulations and having regard that accumulation of natural gas into the Storage Facility shall be technologically possible during the accumulation season, but delivery of natural gas – during the delivery season only.

5 The Storage Facility operator shall publish the forecasted start and end date of accumulation and delivery season on its website not later than 5 days prior to the forecasted start and end date of accumulation and delivery season, as well as, upon commencement of the accumulation and delivery season, publish information thereof immediately.

6 Quality of natural gas to be accumulated into the Storage Facility must comply with the natural gas quality characteristics determined by the Cabinet of Ministers.

7 The Storage Facility operator shall publish regulations regarding quality control of natural gas to be accumulated into and delivered from the Storage Facility , natural gas

receipt – transfer and quality determination points, as well as the technical standards and requirements used for the determination of quality on its website.

8 The Storage Facility operator shall provide Storage Facility services at the volume specified in the contract according to the tariffs determined according to the procedure specified in the Energy Law and the Law on Regulators of Public Utilities. The Storage Facility operator shall publish the standard contract (Annex 1) regarding services of the Storage Facility services and valid tariffs of Storage Facility services on its website.

## **2 Technical characterisation of the Storage Facility**

9 The Storage Facility is located at Inčukalna, Krimuldas and Sējas districts, in the Republic of Latvia.

10 Total volume of natural gas to be stored in the Storage Facility shall be 4 445 000 000 m<sup>3</sup> consisting of the volume of active natural gas – 2 300 000 000 m<sup>3</sup> and the volume of passive natural gas necessary for provision of the technical process of the Storage Facility – 2 145 000 000 m<sup>3</sup>.

11 Prior to each delivery/accumulation season upon agreement with the transmission system operator the Storage Facility operator shall determine the maximum/minimum natural gas flow pressure, with which the transmission system operator transfers natural gas to the Storage Facility operator

for accumulation into the Storage Facility and the Storage Facility operator delivers natural gas from the Storage Facility for input into the transmission system and publish the abovementioned information on its website.

12 Every year after the end of delivery season, the Storage Facility operator shall calculate free capacity of the Storage Facility services for the next accumulation/delivery season. Calculations shall be performed according to the following formula:

**A = B – C + D**, where

A – free capacity (m<sup>3</sup>);

B – 2 300 000 000 m<sup>3</sup> – volume of the active natural gas in the Storage Facility;

C – volume of natural gas in the Storage Facility (m<sup>3</sup>) necessary for the fulfilment of natural gas transmission, natural gas storage, natural gas distribution, as well as natural gas trade licence provisions issued to the Joint-Stock Company “Latvijas Gāze” and fulfilment of provisions of the concluded long-term natural gas procurement contracts, including fulfilment of “take-or-pay” provisions, insofar as this complies with the European Union law and national competition law, as well as the volume reserved according to the submitted access applications, concluded contracts and provision of the state natural gas security reserve;

D – volume of natural gas in the Storage Facility (m<sup>3</sup>), in relation to which the Storage Facility user, with whom a contract has been concluded, has timely informed the Storage Facility operator of refuse to use the Storage Facility capacity specified in the contract during the respective accumulation or delivery season, as well as in relation to which the applicant has not concluded a contract within the time limit set by these regulations and which can be technically offered for access to other applicants (hereinafter referred to as – additional free capacity).

13 Within 15 days after the end of the delivery season the Storage Facility operator shall publish on its website the following information:

13.1 volume of the active natural gas in the Storage Facility (m<sup>3</sup>);

13.2 volume of natural gas in the Storage Facility (m<sup>3</sup>) necessary for the fulfilment of natural gas transmission, natural gas storage, natural gas distribution and natural gas trade licence provisions issued to the Joint-Stock Company “Latvijas Gāze” and fulfilment of provisions of the concluded long-term natural gas procurement contracts, including fulfilment of “take-or-pay” provisions, as well as the volume reserved according to the concluded contracts and access applications of the applicants and necessary for provision of the state natural gas security reserve;

13.3 free capacity (m<sup>3</sup>).

### **3 Request for the access to Storage Facility**

14 Every year within 15 days after the end of delivery season the Storage Facility operator shall publish on its website information regarding free capacity in the accumulation season of the respective year.

15 The Storage Facility operator shall publish information regarding volume of additional free capacity on its website not later than within five working days after receipt of information on additional free capacity, which can be technically offered for access to applicants.

16 Simultaneously with the publishing of information regarding free capacities the Storage Facility operator shall publish the time limit, until which the applicant can submit access application and the information necessary to the Storage Facility operator. The time limit for submission of access application may not be shorter than 20 days. The Storage Facility operator shall publish the access application form (Annex 2), which includes also other information to be submitted to the Storage Facility operator, on its website.

17 Minimum volume of natural gas, in regard of which the applicant may submit access request to the Storage Facility operator, shall comply with the technically determined minimum daily gas measurement

station measuring threshold published by the Storage Facility operator on its website simultaneously with publishing of the information regarding free capacities.

18 If the Storage Facility operator has published information regarding the free capacity of the Storage Facility on its website, the applicant shall be obliged to submit to the Storage Facility operator within the set time limit a written access application filling completely the access application form and the following documents:

18.1 current certification issued by the Lursoft database of companies on the applicant or an extract from the Register of Enterprises of the state of residence of the applicant or equal registers pursuant to the regulations of the state, where the applicant was established;

18.2 a copy of decision adopted by the Register of Enterprises of the Republic of Latvia or a certification issued by the Register of Enterprises of the state of residence of the applicant or equal registers confirming the representation rights of the executive institution of the applicant or a procurator or corresponding authorization confirming the rights of the representative of the applicant to submit the access application;

18.3 a certification issued by a tax authority of a competent state not earlier than 20 days prior to the day of submission of the access application confirming that the applicant has no tax debts in Latvia and its state of residence, including debts of compulsory State social insurance contributions exceeding in total 150 *euro* in each state;

18.4 a certification issued by the Register of Enterprises of the Republic of Latvia or the Register of Enterprises of the state of residence of the applicant or equal registers not earlier than 20 days prior to the day of submission of the access application confirming that no insolvency proceedings of the applicant have been declared, no economic activity thereof has been suspended or discontinued, no legal proceedings have been initiated regarding the bankruptcy of the applicant, and it may not be determined that the applicant would be liquidated before the expiry of the foreseeable deadline of the execution of contract;

18.5 a copy of value added tax (hereinafter referred to as – VAT) payer's certificate, certified according to the procedure provided by regulatory enactments. If the submitter shall be registered as a VAT payer in several Member States of the European Union, a copy of registration certificate must be attached for the VAT payer's registration number, which the submitter has planned to use for transactions related to the Storage Facility services.

19 Documents issued by institutions of the state of residence of an applicant or a Storage Facility user, which is not registered by the Commercial Register of the Republic of Latvia, shall be submitted by the applicant or the Storage Facility user to the Storage

Facility operator accompanied by a translation into the official language certified according to the procedure provided by the Cabinet of Ministers or by notary public.

20 The Storage facility user, which shall submit the access application, shall not be obliged to submit repeatedly the documents listed in Clause 18 of these regulations.

21 If the applicant shall fail to indicate in the application all the information specified in the Annex 2 of these regulations (Access application form) or to attach all the documents listed in Clause 18 of these regulations, the Storage facility operator shall request the necessary information from the applicant by sending a written request to the electronic mail address indicated in the access application of the respective applicant. The applicant shall be obliged to be reachable in the indicated address and to accept the request sent by the operator. The request should be considered received on the second working day after sending thereof. The applicant shall be obliged to submit the information and documents specified in the Storage Facility operator within seven days from the day of receipt of the request from Storage facility operator by sending it to the electronic mail address simultaneously notifying, when the documents listed in Clause 18 have been sent to the Storage Operator as letters. If the applicant shall fail to submit the requested information or documents within the time limit set in this Clause, it should be considered that the applicant has revoked the access application.



22 After receipt of all the information and documents specified in Clause 18 of these regulations the Storage Facility operator shall register the received access application. Providing protection of commercial data, the Storage Facility operator shall maintain on its website a public register of the received access applications indicating item, time of receipt and volume of requested capacity thereof.

#### **4 Capacity distribution mechanism and overload management procedures**

23 The Storage Facility operator shall be constantly obliged to assign to the transmission system operator the Storage Facility capacity necessary for the provision of balance of natural gas input into/eliminated from the natural gas supply system of Latvia, as well as for the trader – the Storage Facility capacity necessary for the supply of natural gas to the natural gas users of Latvia and fulfilment of provisions of natural gas procurement contracts concluded with the natural gas suppliers, insofar as this complies with the European Union law and national competition law.

24 Within five working days after registration of access application the Storage Facility operator shall examine the access application together with the transmission system operator and adopt decision regarding reservation opportunity of free capacity or a part thereof for the particular applicant by determining minimum and maximum daily and hourly accumulation volume.

25 If during examination of the access application the Storage Facility and transmission system operators shall find the transport of natural gas within the Republic of Latvia up to the Storage Facility to accumulate gas into the Storage Facility at the volumes specified in the access application, technically impossible, the Storage Facility operator shall send to the applicant, to the address indicated in the electronic mail address indicated in the access application, within three working days a written proposal to amend the volume of natural gas specified in the access application or distribution thereof by months of the accumulation period. The applicant shall be obliged to be reachable in the indicated address and to accept the proposal sent by the Storage Facility operator. The proposal should be considered received on the second day after sending thereof. The applicant shall be obliged to examine the proposal of the Storage Facility operator and to submit the updated distribution of the volume of natural gas for the accumulation season within three working days from the day of receipt of the proposal of the Storage Facility operator. If the applicant shall fail to submit the updated proposal within the time limit set by this Clause it should be considered that, the applicant has revoked its access application.

26 If the Storage Facility operator has approved the access application indicated in Clause 24 of these regulations or the updated access application indicated in Clause 25 of these regulations:

26.1 the Storage Facility operator shall reserve the Storage Facility capacity necessary for the respective applicant immediately and notify the respective applicant within the time limit set by Clause 33 of these regulations

26.2 the transmission system operator shall reserve the cross-border transmission system capacity necessary for the respective applicant immediately and send to the applicant a decision regarding assignment of the free capacity of transmission system or a part thereof and draft contract regarding receipt of transmission services according to the procedure and within the time limits set by the Regulations of use of natural gas transmission system of the Joint-Stock Company “Latvijas Gāze” (hereinafter referred to as – Transmission regulations);

26.3 the applicant shall be obliged to sign the contract regarding receipt of transmission services sent by the transmission system operator within the time limit set by the Transmission regulations by observing the conditions specified in the access application or the updated access application (storage operator’s decision) respectively and to send the signed contract to the transmission system operator.

27 If the applicant shall fail to submit a signed contract regarding receipt of transmission services to the transmission system operator within the time limit set by Clause 26.3 of these regulations, the transmission system operator

shall notify the Storage Facility operator immediately and the access application of the respective applicant should be considered null and void.

28 If capacity of the Storage Facility requested in the access applications submitted by the applicants shall exceed volume of the free capacity, the Storage Facility operator shall reserve the free capacity for the applicant, whose access application has been registered first.

29 The Storage Facility user shall be entitled to transfer its contractually planned and unutilized transmission Storage Facility capacity to some other merchant. In the case specified in this Clause the Storage Facility user shall be responsible for the fulfilment of contractual obligations in relation to the Storage Facility operator.

30 If physical overload of accumulation or delivery capacity shall occur during the accumulation or delivery of natural gas, the Storage Facility operator shall first provide accumulation into the Storage Facility or delivery from the Storage Facility of natural gas necessary for the natural gas users of Latvia and afterwards distribute the remaining accumulation or delivery capacity among the Storage Facility users following the provisions specified in Clause 57.3 of these regulations.

31 The Storage Facility operator shall separately register the Storage Facility services provided for each Storage Facility user, as well as the Storage Facility services provided according to each contract.

32 Actual volume of the user's natural gas stored in the Storage Facility may not exceed the volume specified in the contract.

## **5 Basic rules for the conclusion of contract**

33 The Storage Facility operator shall send a draft contract together with the decision regarding reservation of free capacity or a part thereof to the applicant to the electronic mail address indicated in the applicant's access application not later than within three working days after adoption of decision regarding reservation of free capacity or a part thereof to the applicant; the applicant shall be obliged to sign and submit the contract to the Storage Facility operator within five working days. If the applicant shall fail to submit a signed contract to the Storage Facility operator, the Storage Facility operator shall assign the Storage Facility capacity, which was reserved to the respective applicant, to the next applicant, or, if there is none – publish information regarding additional free capacity on its website within the time limit set by Clause 15 of these regulations.

34 The applicant shall be obliged to notify the Storage facility operator of sending of the signed contract to the Storage Facility operator as a letter (submission to the post office) by sending electronically information to the operator's electronic mail address, whereas,

the Storage Facility operator shall be obliged to notify the applicant of receipt of the signed contract by sending electronically information to the applicant's electronic mail address.

35 Upon receipt of a signed contract, the Storage Facility operator shall sign it and send to the applicant's postal address indicated in the respective access application within three working days.

36 Within ten days after conclusion of the contract the Storage Facility user shall submit to the Storage Facility operator a schedule for accumulation of the volume of natural gas into the Storage Facility specified in the contract and coordinated with the transmission system operator; following the contractual provisions the schedule shall specify the volume of natural gas to be accumulated during each month of accumulation season, minimum and maximum volume of natural gas to be accumulated daily and hourly coordinated with the transmission system operator.

37 The Storage Facility user, whose natural gas has been accumulated into the Storage Facility, shall submit to the Storage Facility operator a proposal regarding volume of natural gas delivery schedule during delivery season (hereinafter referred to as – the delivery schedule) not later than until October 1; delivery schedule shall specify the volume of natural gas to be delivered from the Storage Facility

during each month of delivery season, minimum and maximum volume of natural gas to be delivered daily and hourly.

38 The Storage Facility operator together with the transmission system operator shall examine the delivery schedule and adopt decision regarding reservation opportunity of delivery capacity and transmission system capacity for the respective Storage Facility user at the volume specified in the delivery schedule within 10 working days after receipt of the delivery schedule.

39 If during examination of the delivery schedule the Storage Facility operator and the transmission system operator shall find the delivery of natural gas from the Storage Facility at the volumes specified in the delivery schedule technically impossible, the Storage Facility operator shall send to the applicant a written proposal to amend the volume of natural gas specified in the delivery schedule or distribution thereof by months of the delivery period to the Storage Facility user's electronic mail address indicated in the contract.

40 The Storage Facility user shall be obliged to be reachable in the specified address and to accept the proposal sent by the Storage Facility operator. The proposal should be considered received on the second day after the transfer thereof. The Storage Facility user shall be obliged to examine the proposal of the Storage Facility operator and to submit the updated distribution schedule of volume of natural gas for the delivery season according to the procedure set by the contract within seven days from receipt of the proposal of the Storage Facility operator by sending it to the electronic mail address indicated by the Storage Facility operator. If the Storage Facility user shall fail to submit the updated distribution schedule of volume of natural gas for the delivery season within the time limit set by this Clause it should be considered that the Storage Facility user has refused the delivery of natural gas and agreed to fulfil the provisions specified in Clause 45 and 50 of these regulations.

41 If the Storage Facility operator has approved the delivery schedule specified in Clause 38 or the updated delivery schedule specified in Clause 39 of these regulations:

41.1 the transmission system operator shall reserve the cross-border transmission system capacity of the transmission system operator necessary for the Storage Facility user immediately;

41.2 the Storage Facility user shall be obliged to coordinate the delivery schedule and schedule of use of the transmission system operator's cross-border transmission system with the transmission system operator within five working days after receipt of the delivery schedule coordinated with the Storage Facility operator.

42 If the Storage Facility operator has assigned to the Storage Facility user the natural gas accumulation/delivery capacity specified in the schedule, the Storage Facility operator shall notify the respective Storage Facility user thereof, at the latest, within three working days after adoption of respective decision.

43 If an applicant, who has previously failed to fulfil the contractual conditions in the capacity of the Storage Facility user or user of cross-border transmission system of the transmission system operator, shall wish to conclude a contract, the respective applicant shall be obliged to pay to the Storage Facility operator a security deposit at the amount of contractual value.

44 The Storage Facility user shall be obliged to meet the Storage Facility operator to update delivery of natural gas from the Storage Facility not later than one month prior to the contract expiry date (end of delivery season, if the contract has been concluded for a period exceeding one year).

45 If the Storage Facility user shall fail to deliver all the natural gas at the disposal thereof from the Storage Facility during the delivery season, the Storage Facility user shall be obliged to pay to the Storage Facility operator all the payments specified in these regulations and contract and to conclude a new contract regarding storage of non-delivered natural gas and delivery thereof during the next delivery season not later than within 10 days from the end of the delivery season.

46 Information exchanged by the applicant and the Storage Facility operator after submission of the access application, as well as the contract shall be confidential, and the parties shall be prohibited to reveal or disclose in any other manner this information to any third party, except for the cases defined by law.

### **6 Refusal of access to the Storage Facility**

47 The Storage Facility operator shall be entitled to refuse access to the free capacity of Storage Facility in motivated manner in the following cases:

47.1 in cases defined by the Energy Law and the Law On Regulators of Public Utilities;

47.2 if the information provided in the applicant's access application is incomplete or it is found to be false;

47.3 if the applicant has submitted the access application after the deadline set by the Storage Facility operator;

47.4 due to technical reasons (pressure in the Storage Facility is equal or higher than the hydro-static pressure, disproportionate expansion of gas deposit area of the Storage facility or risks related to the geological field of use of the Storage facility are found at the end of the delivery season;

47.5 in other cases defined by the regulatory enactments.

48 Within seven working days from the adoption of decision regarding refusal of access to the Storage Facility the Storage Facility operator shall send the relevant decision to the applicant and notify the Public Utilities Commission. The Storage Facility operator shall additionally indicate the necessary measures to improve the Storage Facility and increase capacity thereof in the information for the Public Utilities Commission.

### **7 Settlement procedure**

49 The Storage Facility user shall pay to the Storage Facility operator for the received Storage Facility services according to the procedure, at the amount and within the time limits set by the contract.

50 If the Storage Facility user has transferred for accumulation into the Storage Facility lower volume of natural gas than provided by the contract or failed to transfer for accumulation into the Storage Facility the volume of natural gas provided by the contract, or if the Storage Facility user has delivered lower volume of natural gas than provided by the contract or failed to deliver the volume of natural gas provided by the contract during the delivery season, the Storage Facility user shall pay to the Storage Facility operator

compensation at the amount, according to the procedure and within the time limits set be the contract.

51 The Storage Facility user shall pay to the Storage Facility operator late payment interest per each day of delay of due payment within the time limits set be the contract.

52 For the volume of natural gas set by the contract, but non-delivered during delivery season the Storage Facility user shall pay according to the natural gas storage service tariff for the following season within the time limits set be the contract.

53 If the Storage Facility user has failed or shall fail to observe the time limits or procedure regarding contractual payments for the Storage Facility services, the Storage Facility operator shall be entitled to demand and the Storage Facility user shall be obliged to pay to the Storage Facility operator a security deposit at the amount of contractual value.

54 If the Storage Facility user has paid a security deposit:

54.1 the Storage Facility operator shall be obliged to notify the Storage Facility user on discharge of liabilities of the Storage Facility user from the funds of security deposit;



54.2 the Storage Facility user shall be obliged to restore fully the security deposit at the request of the of Storage Facility operator, if the Storage Facility operator has discharged any liabilities of the Storage Facility user using the funds thereof;

54.3 upon termination of contractual relationships the Storage Facility operator shall be obliged to repay to the Storage Facility user the amount of safety deposit, which has not been used for discharge of any liabilities of the Storage Facility user, within five working days.

55 If the Storage Facility operator shall fail to provide services set by the contract, the Storage Facility operator shall pay to the Storage Facility user penalty set by the contract for the non-provided service. The Storage Facility operator shall not be obliged to pay the penalty specified in this Clause, if the Storage Facility services have not been provided for the Storage Facility user according to Clause 62, 64, 65 or 66 of these regulations.

### **8 Rights and duties of the Storage Facility operator**

56 Duties of the Storage Facility operator:

56.1 to provide storage of the state natural gas security reserve;

56.2 to provide storage of the volume of natural gas necessary for the natural gas users of Latvia;

56.3 to provide in the Storage Facility storage of natural gas, purchase of which is being provided by the Joint-Stock Company "Latvijas Gāze" according to the long-term natural gas purchase contracts, including fulfilment of "take-or-pay" provisions, insofar as this complies with the European Union law and national competition law;

56.4 to publish information on free capacity on its website within the time limits set by these regulations;

56.5 to publish information on provisions of use of the Storage Facility services on its website annually up to February 1 of the respective year;

56.6 to provide for the Storage Facility users information necessary to access the Storage Facility services;

57.7 to provide the Storage Facility services for the Storage Facility user according to the contract;

56.8 to provide accumulation, storage and delivery of natural gas according to coordinated schedules;

56.9 to examine the Storage Facility user's applications related to rendering of Storage Facility services and fulfilment of contract and provide a written reply to the Storage Facility user within 15 days. If examination of the application shall require additional verification or significant additional information, the Storage Facility operator shall provide a reply within 30 days after receipt of the application.

56.10 to cooperate with the transmission system operator in order to provide efficient and safe operation of Storage Facility and the transmission system connected with Storage Facility.

57 Rights of the Storage Facility operator:

57.1 to suspend or restrict provision of the Storage Facility services in cases specified in the Energy Law, these regulations and contract;

57.2 to determine the minimum volume of natural gas to be accumulated daily for each Storage Facility user;

57.3 to determine restrictions to the Storage Facility user in regard of maximum daily natural gas delivery capacity determined by the Storage Facility operator as proportion

between the volume of natural gas to be stored by the respective Storage Facility user and volume of natural gas to be stored by Storage Facility users following provisions of Clause 30 of these regulations;

57.4 to provide binding instructions for the Storage Facility users in order to provide safe use of Storage Facility and quality provision of Storage Facility services;

57.5 to request from the Storage Facility users information necessary for the Storage Facility operator;

57.6 to cooperate with the transmission system operator;

57.7 to acquire and process data on Storage Facility users and applicants.

58 The Storage Facility operator shall be responsible for operative prevention of natural gas emergency situation and emergency in the Storage Facility.

### **9 Rights and duties of the Storage Facility user**

59 Duties of the Storage Facility user:

59.1 to comply with the operating mode of the Storage Facility specified in the contract;

59.2 to pay to the Storage Facility operator for the received Storage Facility services, as well as for the contractually reserved, but unutilized Storage Facility services within the time limits, at the amount and according to procedure set by the contract;

59.3 to notify in writing the natural gas Storage Facility operator regarding any objections against the contents of invoice immediately, but not later than within 10 days from the day of receipt of invoice. Unless it is an obvious arithmetical mistake, objections against the invoice shall not assign any rights to the Storage Facility user to postpone or reduce the amount of or refuse to make the payment;

59.4 to execute the Storage Facility operator's instructions related to receipt of the Storage Facility services;

59.5 to waive rights for the Storage Facility capacity in such a way that is due to restriction, distortion or preclusion of competition, for example, by hidden accumulation of capacity;

59.6 to provide to the Storage Facility operator the information requested thereby, which is necessary for fulfilment of the Storage Facility operator's duties;

59.7 to execute other duties provided for the Storage Facility users in these regulations, contract, standards and other regulatory enactments in the field of natural gas storage.

60 Rights of the Storage Facility user:

60.1 to receive the Storage Facility services from the Storage Facility operator according to the procedure and at the volume specified in the contract;

60.2 to request from the Storage Facility operator information regarding payments made by specific Storage Facility user;

60.3 to receive from the Storage Facility operator information regarding interruptions in rendering the Storage Facility services and possible time of restoration of provision thereof.

61 The Storage Facility user shall be responsible for nominations and provision of the necessary volume of natural gas for the accumulation into the Storage Facility, as well as for receipt of natural gas by delivery from the Storage Facility according to the contract and technical regulations and procedures.

### **10 Suspension or restriction of provision of Storage Facility services**

62 The Storage Facility operator shall be entitled to suspend delivery of natural gas from the Storage Facility in case of full delivery of the active natural gas therefrom.

63 The Storage Facility operator shall suspend provision of the Storage Facility services to the Storage Facility user, if the Storage Facility user has used up whole accumulation, storage and delivery capacity specified in the contract.

64 The Storage Facility operator shall be entitled to suspend the natural gas accumulation into the Storage Facility immediately without prior notice in the following cases:

64.1 if physical-chemical properties of natural gas to be accumulated do not comply with the natural gas quality characteristics determined by the Cabinet of Ministers and the natural gas quality requirements specified in the contract;

64.2 if flow pressure of natural gas to be accumulated does not comply with the technical thresholds necessary for the functioning of the technological equipment to be used in the Storage Facility.

65 The Storage Facility operator shall be entitled to suspend the natural gas accumulation into the Storage Facility and delivery from the Storage Facility immediately without prior notice in the following cases:

65.1 if emergency or emergency situation has occurred in the Storage Facility or energy crisis has been announced pursuant to the Energy Law;

65.2 if there are damages in the natural gas transmission system potentially able to cause emergency and accidents in the Storage Facility or the transmission system;

65.3 if deviations from normal operating mode have occurred or damages have been found in the transmission system of the transmission system operator and the transmission system operator has requested to suspend accumulation of natural gas into the Storage Facility or delivery thereof from the Storage Facility;

65.4 if performance of immediate repair works is necessary for prevention of emergency situation in the transmission system of the transmission system operator or the storage system.

66 The Storage Facility operator shall be entitled to temporarily restrict or suspend accumulation, storage or delivery for the purposes of prevention of danger to humans or/and technical machines and equipment or for the performance of technical maintenance measures, repair, connection or disconnection or dismantling measures, as well as in case, if conditions showing possibility of emergency situation in the Storage Facility are found.

67 The Storage Facility operator shall publish information on its website, as well as notify the Storage Facility users according to the procedure set by the contract of the

planned technical maintenance, repair, connection or disconnection or dismantling works of the Storage Facility the performance of which requires suspension of natural gas accumulation or delivery and publish the relevant information on its website not later than 30 days in advance.

68 If natural gas accumulation into the Storage Facility or delivery from the Storage Facility shall be suspended in cases specified in Clause 62, 64, 65 or 66 of these regulations, the Storage Facility operator shall be obliged to publish the relevant information on its website and notify the Storage Facility users according to the procedure specified in the contract immediately, but not later than within 24 hours after suspension of natural gas accumulation and delivery.

## **11 Final provisions**

69 Conditions included in these regulations, including rights and duties of the Storage Facility operator and the Storage Facility user shall apply to the legal relations established after entry into force of these regulations.

70 Quality of natural gas must comply with LVS 459:2014 “Combustible gases. Gas properties, parameters, quality assessment.” up to the moment of adoption of the Regulations of the Cabinet of Ministers specified in Clause 6 of these regulations.

71 The Storage Facility operator shall publish the information specified in these regulations on its website within 15 days after entry into force of these regulations.

72 Upon occurrence of any of the conditions specified in Clause 32 of the Transitional provisions of the Energy Law these regulations shall apply insofar, as they shall not conflict with the Regulation (EC) No. 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (hereinafter referred to as - Regulation No. 715/2009) and following the European Commission implementation acts adopted by supplementing the Regulation No. 715/2009.

73 These regulations shall enter into force on the next day after publication thereof in the official gazette "Latvijas Vēstnesis".