

Regulations of use of the natural gas Transmission system of the Joint-Stock Company “Latvijas Gāze”

Approved pursuant to Section 15, Paragraph 7, and Section 45², Paragraph 3 and 6 of the Energy Law

1 General regulations

1 Regulations have been developed taking into consideration the derogation from several requirements 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, 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 right to use of the free capacity of the cross-border transmission system (hereinafter referred to as – the transmission system) owned by the Joint-Stock Company “Latvijas Gāze” (hereinafter referred to as – the transmission system operator);

2.2 procedure of use of the transmission system and cases, when the transmission system operator may suspend or restrict use of the transmission system;

2.3 rights and duties of the transmission system operator;

2.4 rights and duties of the transmission system user (hereinafter referred to as – the system user);

2.5 settlement procedure for the use of the transmission system;

2.6 procedure for the constant balancing of natural gas input into/eliminated from the transmission system provided by the transmission system operator (hereinafter referred to as – balancing).

3 Terms used in these regulations:

3.1 free capacity – capacity of natural gas transmission system available to the applicants for the use of transmission system services;

3.2 natural gas measurement station (hereinafter referred to as – GMS) – station, where the transmission system operator registers volume of the natural gas input into and eliminated from the transmission system, as well as natural gas quality characteristics;

3.3 gas day – period of time in the process of closing of daily gas balance commencing at 7 in the morning of each day and ending at 7 in the morning of the next day by UTC (*coordinated universal time*);

3.4 accumulation season – period of time, during which the storage facility operator accumulates natural gas into the storage facility, lasting every year approximately from April – May until October – November of every year;

3.5 delivery season – period of time, during which the storage facility operator delivers natural gas from the storage facility, lasting every year approximately from October – November until March – April of the next year;

3.6 storage facility – Inčukalns Underground Gas Storage Facility of the Joint-Stock Company “Latvijas Gāze”;

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3.7 storage facility operator – the Joint-Stock Company “Latvijas Gāze” providing natural gas storage services in the storage facility (accumulation of natural gas into the storage facility, storage and delivery from the storage facility);

3.8 contract – a contract concluded between the transmission system operator and system user on provision of transmission system services;

3.9 imbalance – situation during transportation of natural gas, when the volume of natural gas input into the transmission system differs from the volume of natural gas delivered from the transmission system by the respective user of the system during balancing or situation, when the summary volume of natural gas input into the transmission system differs from the summary volume of natural gas delivered from the transmission system;

3.10 nomination – timely notice of the system user to the transmission system operator on actual volume of natural gas, which the system user wishes to input into the transmission system or to deliver therefrom;

3.11 transmission system capacity gas regulatory station – technological and container-shaped building with installed technological plants for the preparation of gas to be supplied to distribution system (gas treatment, odorisation and pressure relief plants);

3.12 physical transmission system capacity overload – condition, when the demand for actual natural gas transportation capacity at certain moment exceeds technical capacity of the transmission system;

3.13 transmission system service – transportation of natural gas within the transmission system;

3.14 access application – a document submitted by the applicant to the transmission system operator regarding reservation of free capacity of the transmission system;

3.15 applicant – merchant, which has submitted the documents specified in Clause 21 of these regulations and wishes to receive transmission system services;

3.16 distribution system operator – the Joint-Stock Company “Latvijas Gāze” providing distribution system services;

3.17 system user – a merchant, which receives transmission system services in accordance with the contract;

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

4 Transmission system operator shall provide for the applicants objectively based, economically justified, fair, equal, non-discriminatory and transparent access to the free capacity of transmission system determined according to Clause 12 of these regulations.

5 Transmission system operator shall provide transmission system services at the volume specified in the contract and according to the tariffs determined according to the procedure specified in the Energy Law and the Law on Regulators of Public Utilities. The transmission system operator shall publish the standard contract of transmission system services (Annex 2) and applicable tariffs on transmission system services on its website.

2 Technical characterisation of the transmission system

6 Transmission system contains the following gas pipelines located in the territory of the Republic of Latvia:

- 6.1 PGV Izborsk – Inčukalns PGK;
- 6.2 PGV Valdaja – Pleskava – Riga;
- 6.3 PGV Riga – Inčukalns PGK line I;

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- 6.4 PGV Riga – Inčukalns PGK line II;
- 6.5 PGV Viļņa – Riga;
- 6.6 PGV Riga – Panevezys;
- 6.7 PGV Viresi – Tallinn.

7 Natural gas may be input into the transmission system in the following points (hereinafter referred to as – entry points):

- 7.1 transmission system interconnection with the natural gas transmission system of the Russian Federation: natural gas registration point – GMS Izborsk;
- 7.2 transmission system interconnection with the natural gas transmission system of the Russian Federation: natural gas registration point – GMS Korneti;
- 7.3 transmission system interconnection with the natural gas transmission system of the Republic of Lithuania: natural gas registration point – GMS Kemenai;
- 7.4 transmission system interconnection with the natural gas transmission system of the Republic of Estonia: natural gas registration point – GMS Karksi;
- 7.5 transmission system interconnection with the storage facility:
 - 7.5.1 natural gas registration point – GMS 1;
 - 7.5.2 natural gas registration point – GMS 2;
 - 7.5.3 natural gas registration point – gas measurement hub of the Gas collection point No. 1.

8 Natural gas may be eliminated from the transmission system in the following points (hereinafter referred to as – exit points):

- 8.1 transmission system interconnection with the natural gas distribution system of the Republic of Lithuania: natural gas registration point – GMS Kemenai;
- 8.2 transmission system interconnection with the natural gas transmission system of the Russian Federation: natural gas registration point – GMS Korneti;
- 8.3 transmission system interconnection with the natural gas transmission system of the Russian Federation: natural gas registration point – GMS Izborsk;
- 8.4 transmission system interconnection with the natural gas transmission system of the Republic of Estonia: natural gas registration point – GMS Karksi;
- 8.5 transmission system interconnection with the storage facility:
 - 8.5.1 natural gas registration point – GMS 1;
 - 8.5.2 natural gas registration point – GMS 2.

8.6 gas regulation stations of transmission system.

9 Transmission system operator shall determine the operating mode of the transmission system and directions of natural gas supply, and, taking into consideration the technical condition of the respective gas pipeline of transmission system – also the maximum permissible operating pressure of each gas pipeline of transmission system and publish the abovementioned information on its website. Minimum operating pressure of the gas pipeline of transmission system is 2.5 MPa.

10 Prior to each accumulation/delivery season upon mutual agreement with the storage facility operator the transmission system operator shall determine maximum/minimum pressure of natural gas flow applied for transmission of natural gas by the transmission system operator to the storage facility operator for accumulation into the storage facility and for delivery of natural gas from the storage facility by the storage facility operator to input into the transmission system and publish the abovementioned information on its website.

11 For the purposes of calculation of the free capacity of transmission system services, the transmission system operator together with the distribution system operator and the storage facility operator shall coordinate summarizations of the planned natural gas transmission capacities by seasons, months, days and hours, including determination of maximum and minimum loads.

12 Transmission system operator shall publish information regarding free capacity of transmission system services in each entry/exit point, information regarding technically possible capacity of each entry/exit point and the total capacity reserved in each entry/exit point by access applications and contracts on its website according to the procedure defined in Clause 19 of these regulations. Transmission system operator shall calculate the free capacity of each entry/exit point according to the following formula:

$$A = B - C + D, \text{ where}$$

A – free capacity of entry/exit point (m³);

B – technically possible capacity of entry/exit point (m³);

C – part of natural gas transmission services (m³) 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”, fulfilment of provisions of the concluded natural gas procurement contracts, as well as reserved according to the contracts or access applications or public contracts;

D – part of transmission system services (m³), in relation to which the system user, who has entered into a contract, has timely informed the transmission system operator of refuse to use the transmission system capacity specified in the contract, 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 the applicants (additional free capacity).

3 Natural gas registration and quality control

13 Quality of natural gas, biogas and the gas generated from biomass to be put into the transmission system, as well as liquefied natural gas turned into gaseous form must comply with the natural gas quality characteristics determined by the Cabinet of Ministers. Transmission system operator shall publish on its website the regulations regarding quality control of natural gas input into and eliminated from the transmission system, natural gas accept - transmission and quality determination points, as well as the technical standards and requirements used for the quality determination.

14 Transmission system operator shall provide registration of the natural gas to be transmitted at the entry and exit points and the natural gas registration points by regular recording of volume, pressure and temperature of natural gas to be transmitted.

15 In each natural gas registration point, which may not always coincide with the entry/exit point of the natural gas transmission system, there is a point determined by the transmission system operator, where measurements of volume, pressure, temperature and quality parameters of natural gas (in random order) may take place.

16 Transmission system operator shall use volume units for the natural gas registration and reviews. Measurement unit of natural gas amount (volume) shall be cubic metre (m^3) determined under the following standard conditions: absolute gas pressure 101.325 kPa and temperature 20°C .

17 According to the volume units determined in the registration points the following volumes of natural gas transmission shall be registered in the entry and exit points:

17.1 volume of natural gas transmitted per one hour (m^3/h);

17.2 maximum volume of natural gas transmitted per one hour in a day (m^3/h);

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17.3 volume of natural gas transmitted per day and expressed as sum of volume of natural gas transmitted per hours of the day (m³);

17.4 volume of natural gas transmitted per month and expressed as sum of volume of natural gas transmitted during the days of calendar month (m³);

17.5 volume of natural gas transmitted per year expressed as sum of volume of natural gas transmitted during the months of the year.

18 Registration and determination of quality of biogas and the gas generated from biomass, as well as liquefied natural gas turned into gaseous form to be input into the transmission system shall be provided in the respective entry point of the transmission system. Registration and determination of quality of natural gas in the entry points shall be provided by the supplier of biogas and the gas generated from biomass, as well as liquefied natural gas turned into gaseous form, but in the exit points – by the transmission system operator. The system user, who inputs the gas specified in this Clause into the transmission system shall be obliged to provide continuous determination of the physical-chemical indicators of fire gas using correspondingly certified measuring equipment, as well as accumulation of measurement data and constant remote access of the transmission system operator to this information.

4 Request for the access to transmission system

19 Transmission system operator shall publish, maintain and regularly renew the website information on free capacities of transmission system, information on technically possible capacity of each entry/exit point, total capacity reserved by access applications and contracts, per each day within the current year, for the transportation of which the applicant may submit access application to the transmission system operator taking into consideration the technical capacities of the transmission system entry/exit points and the permissible operation ranges of the gas registration measuring devices installed therein.

20 The transmission system operator shall publish information on volume of additional volume of free capacity, which can be technically offered for access to the applicants, on its website not later than on the next day after receipt of information on additional free capacity.

21 Applicant wishing to receive transmission system services shall submit to the transmission system operator access application by completely filling the access application form of the Annex 1 and the following documents:

21.1 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;

21.2 a copy of decision adopted by the Register of Enterprises of the Republic of Latvia 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;

21.3 a certification issued by a tax authority of a competent state 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 (issued not earlier than twenty days before submission of access application);

21.4 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;

21.5 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 applicant shall be registered as a VAT payer in several Member States of the European Union, a copy of registration certificate must be attached to the VAT payer’s registration number, which the applicant has planned to use for transactions related to the transmission system services.

22 Documents issued by institutions of the state of residence of an applicant or a system user, which is not registered by the Commercial Register of the Republic of Latvia, shall be submitted by the applicant or system user to the transmission system operator accompanied by a translation into the official language certified according to the procedure provided by the Cabinet of Ministers or by notary public.

23 Applicant shall submit the access application to the transmission system operator in writing not later than thirty working days prior to the date indicated in the access application, from which the user wants to commence using of the transmission system services. The system wishing to prolong a valid contract with the transmission system operator regarding use of the free capacity of transmission system, shall not be obliged to submit the documents specified in Clause 21 of these regulations repeatedly.

24 If the applicant shall fail to indicate in the access application all the required information or to attach all documents specified in Clause 21 of these regulations the transmission system operator shall request the relevant information from the applicant by sending a request to the electronic mail address indicated in the applicant’s access application. The applicant shall be obliged to be reachable in the specified address and to accept the request sent by the transmission system 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 indicated by the transmission system operator within seven working days from the day of receipt of the request from the transmission system operator. If the applicant shall fail to submit the requested information or documents within the time limit set by this Clause, it should be considered that the applicant has revoked its access application.

25 After receipt of all the information specified in Clause 21 of these regulations the transmission system operator shall register the received access application. Providing protection of commercial data, the transmission system operator shall maintain on its website a public register of the received access applications for the transmission system, indicating item, time of receipt and volume of requested capacity thereof.

26 Information exchanged by the applicant and the transmission system operator after submission of the access application, as well as the contract shall be confidential, and the parties may not reveal or disclose in any other manner this information to any third party, except for the cases defined by law.

5 Capacity distribution mechanism, overload management and balancing procedures

27 The transmission system operator shall be constantly obliged to assign to the distribution system operator the transmission system capacity necessary for the supply of natural gas to the natural gas users and trader of Latvia – the transmission system capacity necessary for the supply of natural gas to the natural gas users of Latvia and for the fulfilment of provisions of the concluded natural gas procurement contracts, insofar as this complies with the European Union law and national competition law.

28 The transmission system operator shall examine the access application and adopt decision regarding reservation possibility of free capacity of the transmission system or a part thereof for the particular applicant and receipt of transmission system services within five working days after the registration of access application.

29 If during examination of the access application the transmission system operator shall find the transport of natural gas within the Republic of Latvia at the volume specified in the access application technically impossible, the transmission system operator shall send to the applicant's electronic mail address a proposal to amend the volume of natural gas specified in the access application or distribution thereof by months and days within three working days.

30 The applicant shall be obliged to be reachable in the specified address and to accept the proposal sent by the transmission system operator. The proposal should be considered received on the second day after the sending thereof. The applicant shall be obliged to examine the proposal of the transmission system operator and to submit the updated distribution of the volume of natural gas within three working days from the moment of receipt of the proposal of the transmission system operator by sending it to the transmission system operator's electronic mail address. 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.

31 If total capacity of transmission system services requested within the access applications submitted by the applicants shall exceed the free capacity of the transmission system, the transmission system operator shall reserve the free capacity for the applicant, whose access application has been registered first.

32 System user shall be entitled to transfer its contractually planned and unutilized transmission system capacity to some other merchant. In the case specified in this Clause the system user shall be responsible for the fulfilment of contractual liabilities in relation to the transmission system operator.

33 If physical overload of transmission system capacity shall occur during the natural gas transportation, the transmission system operator shall first provide transportation of natural gas necessary for the natural gas users of Latvia within the overload management and afterwards distribute the remaining transmission system capacity among the system users following the provisions specified in Clause 53.3 of these regulations.

34 The transmission system operator shall separately register the transmission system services provided for each system user, as well as the transmission system services provided according to each contract.

35 If the imbalance caused by the system user shall result in risk to safe exploitation of transmission system or fulfilment of valid contracts, the transmission system operator shall be entitled to restrict (suspend) transmission of natural gas to the respective system user without prior notice and issue obligatory instructions to the system user and the Storage Facility operator. Restriction specified in this Clause shall expire (natural gas transport shall be restored) only after provision of safe functioning of the transmission system.

36 Balancing period shall be one month, during which each system user must ensure that the amount of natural gas delivered from the transmission system complies with the amount of natural gas input into the transmission system. The amount of natural gas delivered from the transmission system by a system user in a gas day during the balancing period may differ from the amount of natural gas input into the transmission system in a gas day by maximum of 5%.

37 The system user supplying natural gas from or to the Storage Facility shall be obliged to submit to the transmission system operator a schedule coordinated with the Storage Facility operator setting the procedure of natural gas supply, volume of natural gas to be supplied, deadline, as well as natural gas quality and pressure parameters for the supply of natural gas by the system user from or to the Storage Facility.

38 The system user supplying natural gas from other natural gas transmission system shall be obliged to submit to the transmission system operator

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a schedule coordinated with other natural gas transmission system operator setting the procedure of natural gas supply, volume of natural gas to be supplied, deadline, as well as natural gas quality and pressure parameters 20 days before the commencement of supply of natural gas.

39 The transmission system operator shall use the Storage Facility services to provide balance of the transmission system

40 In order to provide efficient functioning of transmission system, the transmission system operator shall coordinate the natural gas transmission modes and cooperate in balancing matters with the Storage Facility operator and the transmission system operators of the Republic of Estonia, the Russian Federation and the Republic of Lithuania.

6 Basic rules for the conclusion of contract

41 If the transmission system operator shall assign the free capacity of the transmission system or a part thereof to the applicant, the transmission system operator shall send to the applicant a draft contract simultaneously with the decision regarding assignment of the free capacity of the transmission system or part thereof to the electronic mail address indicated in the applicant's access application; the applicant shall be obliged to submit a signed contract to the transmission system operator within five working days. If the applicant shall fail to submit a signed contract to the transmission system operator within the set time limit, the transmission system operator shall assign the transmission system capacity reserved for the respective applicant to the next applicant or, in case there is none – publish information regarding additional free capacity on its website within the time limit set by Clause 20 of these regulations.

42 Upon receipt of a signed contract, the transmission system operator shall sign it within three working day and send to the applicant's address indicated in its access application.

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

7 Refusal of access to the transmission system

44 The transmission system operator shall be entitled to refuse access to the transmission system in motivated manner in the following cases:

44.1 in cases defined by the Energy Law and the Law on Regulators of Public Utilities;

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

44.3 if the access application has not been submitted within the time limit set by Clause 23 of these regulations;

44.4 if provision of the transmission system services indicated in the access application shall be impossible due to technical reasons (emergency, repair of gas line, restriction of operating pressure, insufficient throughput of the gas line);

44.5 if applicant has failed to pay for the previously received transmission system services;

44.6 if the natural gas system connected to the transmission system shall fail to comply with the technical requirements set by law;

44.7 in other cases defined by law.

45 The transmission system operator shall notify the system user of refusal of access to the transmission system electronically within one working day after adoption thereof by sending

an announcement to the electronic mail address indicated in the system user's application. The transmission system operator shall send the original copy of the decision to the system user by post to the user's address indicated in the access application within seven working days from the day of adoption of the decision.

8 Settlement procedure

46 System user shall pay to the transmission system operator for the received transmission system services, as well as the reserved, but not utilized transmission system capacity according to the procedure, at the amount and within the time limits specified in the contract.

47 The system user shall pay to the transmission system operator a compensation set by the contract, if:

47.1 the system user has transferred for transmission lower volume of natural gas than provided by the contract or has failed to transfer for transmission the volume of natural gas provided by the contract;

47.2 the system user has delivered from the transmission system lower volume of natural gas than transferred for transmission or if the system user has transferred for transmission larger volume of natural gas than provided by the contract.

48 The transmission system operator shall calculate the amount of compensation specified in Clause 47 of these regulations after the expiry of the balancing period.

49 If the system user shall fail to observe the time limit or procedure regarding payments for the transmission system services set by the contract, the system user shall be obliged to pay to the transmission system operator a security deposit at the amount of contractual value.

50 If the system user has paid a security deposit:

50.1 the transmission system operator shall be obliged to notify the system user of discharge of outstanding liabilities using the funds of security deposit;

50.2 the system user shall be obliged to restore fully the security deposit at the request of the transmission system operator, if the transmission system operator has discharged any outstanding liabilities of the system user using the funds thereof;

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

51 If the transmission system operator shall fail to provide reservation of the transmission capacity specified in the contract, the transmission system operator shall pay to the system user a penalty at the contractually specified amount of the sum of contractually set, but actually non-provided services. The transmission system operator shall not be obliged to pay the penalty specified in the contract, if transmission services have not been provided for the system user according to Clause 57 and 59 of these regulations.

9 Rights and duties of the transmission system operator

52 Duties of the transmission system operator:

52.1 to publish information on free capacity of transmission system services on its website within the time limits set by these regulations;

52.2 to control chemical composition and physical characteristics of gas input into the transmission system;

52.3 to provide natural gas balance in the transmission system;

52.4 to provide transportation of natural gas at the volume necessary for the natural gas users of Latvia;

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52.5 to provide to the system users the necessary information related to transmission services;

52.6 to provide rendering of transmission system services to the system user according to the contract;

52.7 to examine applications of the system user related to rendering of transmission system services and fulfilment of contract and to provide a written reply to the system user within 15 days. If examination of application shall require additional verification or significant additional information, the transmission system operator shall provide a reply within 30 days after receipt of the application;

52.8 to cooperate with the Storage Facility operator to provide efficient and safe operation of the transmission system and the Storage Facility connected with the transmission system;

52.9 to cooperate with the distribution system operator to provide efficient and safe operation of the transmission system and the distribution system connected with the transmission system;

52.10 together with the Storage Facility operator – to examine the applicants' access applications related to transportation of natural gas for storage in the Storage Facility;

52.11 to organize localization and liquidation of possible emergencies in the transmission system.

53 Rights of the transmission system operator:

53.1 to suspend or restrict provision of the transmission system services in cases specified in the Energy Law, these regulations and the contract;

53.2 to determine the minimum volume of natural gas to be transported daily for each system user;

53.3 to determine restrictions for the system user in regard of maximum volume of natural gas to be transported daily, determined by the transmission system operator as proportion between the volume of natural gas to be transported by the respective system user and the maximum possible volume of natural gas to be transported within the transmission system following provisions of Clause 33 of these regulations;

53.4 to provide binding instructions for the system users to provide safe use of transmission system and quality provision of transmission system services;

53.5 to request from the system users, including the Storage Facility operator and the distribution system operator the information necessary for the transmission system operator;

53.6 to cooperate with the Storage Facility operator and the distribution system operator;

53.7 to acquire and process data on system users and applicants.

10 Rights and duties of the system user

54 Duties of the system user:

54.1 to observe operating modes of the transmission system and natural gas transportation directions within the transmission system determined by the contract of the transmission system operator;

54.2 to provide delivery of such volume of natural gas from the transmission system within the balancing period, which is equal to the volume the system user has put into the transmission system, considering that, the amount of natural gas delivered from the transmission system in a gas day may differ from the amount of natural gas input into the transmission system in a gas day by maximum of 5%;

54.3 to pay to the transmission system operator for the received transmission system services, natural gas balancing, as well as contractually reserved,

but unutilized transmission system storage facility services within the time limits, at the amount and according to the procedure set by the contract;

54.4 to notify the transmission system operator in writing regarding any objections against the contents of invoice not later than within 10 days from the day of receipt of the invoice. Unless it is an obvious arithmetical mistake, objections against the invoice issued by the transmission system operator shall not assign any rights to the system user to postpone or reduce the amount or refuse to make the payment;

54.5 to supply to the transmission system operator natural gas compliant with the natural gas quality characteristics set by the Cabinet of the Ministers at the entry point of the transmission system;

54.6 to accept from the transmission system operator natural gas at the exit point of the transmission system;

54.7 to execute the transmission system operator's instructions related to receipt of transmission system services and natural gas balancing;

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

54.9 to provide the information requested by the transmission system operator and necessary for provision of transmission services;

54.10 to provide information for the transmission system operator regarding volume, quality and physical-chemical indicators of supplied and received natural gas according to the procedure and within the time limits set by the contract;

54.11 to execute other duties provided for the system users in these regulations, contract, standards and other laws in the field of natural gas transportation.

55 Rights of the system user:

55.1 to receive from the transmission system operator natural gas transmission and balancing services according to the procedure and at the volume specified in the transmission contract;

55.2 to request from the transmission system operator information regarding payments made by the respective system user;

55.3 to receive from the transmission system operator information regarding restriction or suspension of natural gas transportation, reasons thereof and the possible time of restoration of the provision or services.

56 System user shall be responsible for the capacity reservations and provision of the necessary volume of natural gas for the provision of transmission services, as well as receipt of natural gas by eliminating from the transmission system according to the contract and technical regulations and procedures.

11 Suspension or restriction of provision of transmission system services

57 The transmission system operator shall be entitled to restrict and suspend receipt of natural gas in the transmission system, transportation and elimination thereof from the transmission system immediately and without prior notice in the following cases:

57.1 if it shall be determined that the natural gas supply system connected to the transmission system causes danger to human lives, health or property;

57.2 if action of the system user has caused emergency situation (or possibility thereof) in the transmission system or damage to the transmission system security;

57.3 if gas to be input into the transmission system by its physical-chemical properties does not comply with the natural gas quality characteristics determined by these regulations and the natural gas quality requirements specified in the contract;

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57.4 if flow pressure of the gas to be input into the transmission system shall not comply with the requirements specified in the contract;

57.5 if emergency or emergency situation has occurred in the transmission system or energy crisis has been announced pursuant to the Energy Law;

57.6 if there are damages in the transmission system, distribution system or the Storage Facility, which are potentially able to cause emergency and accidents in the transmission system;

57.7 if deviations from normal operating mode have occurred in the transmission system, natural gas distribution system of Latvia or the Storage Facility or damages are found in the transmission system, natural gas distribution system of Latvia or the Storage Facility, and the transmission system operator or the distribution system operator or the natural gas Storage Facility operator from the Republic of Estonia or the Republic of Lithuania or the Russian Federation has requested to suspend transportation of natural gas to/from the respective system immediately;

57.8 if the system user shall fail to observe the natural gas entry or exit mode specified in the contract;

57.9 if natural gas transport to the territory of the Republic of Latvia shall be suspended or restricted and operators of natural gas supply system of Latvia have not accumulated sufficient natural gas reserves;

57.10 if functioning and security of transmission system or fulfilment of contractual provisions shall be endangered due to the imbalance caused by the system user;

57.11 if performance of immediate repair works shall be necessary for prevention of emergency situation in the transmission system or the Storage Facility.

58 If natural gas transportation shall be restricted or suspended in cases specified in Clause 57 of these regulations, the transmission system operator shall be obliged to publish relevant information on its website immediately, but not later than within 24 hours from the moment of restriction or suspension of natural gas transportation and to notify the system users according to the procedure defined by the contract.

59 The transmission system operator shall be entitled to restrict and suspend the natural gas receipt in the transmission system, transport and elimination thereof from the transmission system upon at least five days' notice to the system user in the following cases:

59.1 if the system user shall cause disturbances or affect the gas quality negatively with its act or omission and ignoring the received warning sent by the system operator;

59.2 if the system user shall refuse access of the transmission system operator, the distribution system operator or the employees servicing the natural gas registration system to the territory or premises, where the transmission system is located in order to install, supervise or replace gas registration devices or register the readings thereof;

59.3 in other cases specified in the regulatory enactments and the contract.

60 The transmission system operator shall publish information regarding the planned transmission system maintenance, repair, connection or disconnection or dismantling works on its website and notify the transmission system users according to the procedure set by the contract not later than 30 days in advance.

61 If conditions showing possibility of occurrence of emergency situation in the transmission system shall be found, the transmission system operator shall be entitled to deny or restrict use of the transmission system capacities to the system users.

12 Final provisions

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62 Rules included in these regulations, including rights and duties of the transmission system operator and the system user, shall be referable to the legal relationships established after entry into force of these regulations.

63 Input of natural gas into the entry point specified in Clause 8.4 of these regulations: transmission system interconnection with the natural gas transmission system of the Republic of Estonia: natural gas registration point – GMS Karksi shall be possible only after completion of reconstruction of GMS Karksi by the transmission system of the Republic of Estonia in order to provide reverse flow of natural gas and registration of the volume or transported natural gas.

64 Quality of natural gas, biogas and the gas generated from biomass to be put into the transmission system, as well as liquefied natural gas turned into gaseous form must comply with LVS 459:2014 “Combustible gases. Gas properties, parameters, quality assessment.” and LVS 460:2014 “Utilization of gases manufactured from renewable sources in natural gas transmission system” up to the moment of adoption of the Regulations of the Cabinet of Ministers specified in Clause 13 and 54.5 of these regulations.

65 Clause 8.6 of these regulations shall enter into force simultaneously with the Regulations of the Cabinet of Ministers issued pursuant to Section 42¹, Paragraph 1 of the Energy Law pursuant to Clause 34 of Transitional provisions of the abovementioned law.

66 The transmission system operator shall provide publishing of the total capacities reserved by the access applications in every entry/exit point provided by these regulations, as well as the public register of the received access applications to the transmission system as of 1 October 2015.

67 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.

68 These regulations shall enter into force on the next day after publication thereof in the official gazette “Latvijas Vēstnesis”.