

Q&A Shipper Forum – Hamburg, 15th March 2016

Question1: How will the tariffs of ENDK be affected by the product?

Answer: The new product has already been taken into account for the tariffing for the coming gas year. The tariffs will slightly rise.

Question 2: Can I split my long-term booking and only use a part of it for the special nomination arrangement?

Answer: Yes, this is possible.

Question 3: Is there a special fee for the special nomination arrangement?

Answer: No

Question 4: Will you offer the product on a daily basis?

Answer: No, the Special Nomination Arrangement will be offered on a monthly basis only. There is the short-term UIOLI for the day ahead process already applied.

But the firm capacity which is not sold in the monthly auctions will be offered in the DA- and WID-auctions, including the extra capacity made available through the Special Nomination Arrangement.

Question 5: Will NOM1 be granted some kind of compensation for providing capacities for the special nomination arrangement?

Answer: No

Question 6: Will the special nomination arrangement be offered at other network points apart from ELLUND?

Answer: For us, the special nomination arrangement at Ellund is a pilot project at a network point with a commercial bottleneck.

Question 7: Will the tariffs go down as a result of the introduction of the new product?

Answer: No. It's difficult to say how the tariffs will develop due to the newly introduction of BEATE and the discussion about HOKOWÄ, that interferes with the potential effect of the new product.

Question 8: What's the benefit for GUD?

Answer: We'll be able to offer monthly capacities on a firm basis at Exit Ellund.

Question 9: How much more capacity will be offered at Exit Ellund?

Answer: It's not possible to make a prediction yet, because it depends on the offered long-term flat nomination. We don't have any experiences.

Question 10: Is it possible to implement the special nomination arrangement at other network points apart from Ellund?

Answer: At the moment there is no need to implement the product at other points apart from Ellund because Ellund is the only network point with a commercial bottleneck.

Question 11: Is it always possible to book interruptible capacities although firm is available?

Answer: We do not market capacity at cross-border points subordinated. Therefore it is possible to buy interruptible capacities even if firm is not sold out.

Question 12: Is it possible to implement a buy-back-mechanism as well?

Answer: In Germany the short-term UIOLI mechanism is applied; therefore an additional mechanism like oversubscription and buy-back is not reasonable simultaneously.

Question 13: Is the Entry nomination to Germany absolutely fixed?

Answer: Yes, the nomination is fixed and flat and can't be adjusted, neither up nor down.

Question 14: Why does ENDK support this new product?

Answer: ENDK was asked to support this product by the Danish regulator. Furthermore this product will optimize the offer of firm Exit capacities on the German side, which is a benefit for the Danish market.

Question 15: Will the product lead to higher ENDK tariffs only at Ellund or at all network points?

Answer: The lack of revenues will lead to higher tariffs at all ENDK network points.

Question 16: What's the planned start of the product?

Answer: Currently we consider a start date on 1st of July. Nonetheless it depends on the progress of consultation process.

Question 17: What are the pros and cons of the special nomination arrangement vs. Flow Commitments in Denmark?

Answer (by ENDK): The effects of the products are quite similar; one advantage of Flow Commitments is that it is designed to be demand-driven, based on expected demand for northbound capacity.

Question 18: If you just want to bring gas from Germany to Denmark/Sweden, you just use the normal nomination procedure?

Answer: Yes.

Question 18: Who will be interested in using the special nomination arrangement?

Answer: Mostly it will be market players with long-term deliveries at the border point.
