

NATURAL GAS TRANSMISSION CAPACITY FROM SERBIA TO HUNGARY

INFORMATION ON REGISTRATION - BINDING OPEN SEASON PROCEDURE

Dear Partners, Applicants!

We would like to inform you that the Hungarian Energy and Public Utility Regulatory Authority approved with certain conditions in its Decision No. H805/2019 the offer of an entry capacity of up to 9.3 bcm/y (0°C) (10.0 bcm/y (20°C)) to be realised according to the technical content presented in FGSZ's 10 Year Network Development Plan. The investment is determined by the outcome of the binding and successful Open Season procedure.

Based on the above, FGSZ conducts a binding Open Season procedure in order to assess the binding market demand and to conclude long term capacity booking contracts upon the fulfilment of certain conditions at the following interconnection point:

- Interconnection point: Kiskundorozsma 1200
Flow direction: from Serbia to Hungary

Successful registration is a precondition for the participation in the procedure, which consists of the following steps.

Network user registration process

Applicants interested in the binding Open Season procedure shall proceed as follows.

Applicants shall fill in the Registration Form (Annex I) to start the registration process and the duly filled and signed Registration Form and the accompanying documents must be submitted by registered mail or courier to FGSZ until the given deadline. Applicant must submit its Registration Form by 24 October 2019 16:00 CET, in which the Applicant has to indicate according to Act XL of 2008 Article 3 paragraph 51a. what type of network user the Applicant is, attaching the required supporting documents.

The Applicant may participate in the further phases of the binding Open Season – including the consultation procedure – only upon successful registration, i.e. if all required documents are submitted and to and are received by FGSZ until 24 October 2019 16:00 CET.

FGSZ notifies all Applicants about the result of registration via email by 25 October 2019 16:00 CET. The registration is successful only if the Applicant's registration is complete, and all required documents are submitted according to the Registration Form.

Please note that applications received after 24 October 2019 16:00 are rejected. Please also note that the fact of successful registration does not create any obligation for the Applicant to submit a bid.

Network users not or unsuccessfully registering (i.e. not fulfilling all requirements) for the binding Open Season procedure cannot participate in the next phases of the binding Open Season procedure. Following the registration, successful Applicants will be duly notified about the next steps of the binding Open Season procedure.

Force Majeure

FGSZ shall not be obliged to carry out the binding Open Season procedure if it is considerably affected by unavoidable circumstances beyond its control (force majeure events) or if the preconditions for Open Season procedure defined in MEKH Decision No. H805/2019 are not fulfilled.

Force Majeure events shall include in particular, but exclusively the following: natural disasters, international embargo, war, civil war, international sanctions affecting FGSZ or any of its related undertakings.

If FGSZ does not carry out this procedure due to force majeure events or because the preconditions for open Season procedure set out in MEKH Decision No. H805/2019 are not met, FGSZ shall not be liable for any damages or other payment obligations toward the participants or any other 3rd person. FGSZ shall inform the applicants in registered letter of the cancellation of the procedure.

Data protection

FGSZ acknowledges that all data, information and notification submitted by the Applicants are confidential. FGSZ declares that this confidential information is used solely for the purpose of the participation in the binding Open Season procedure and will not publish it to any third party without the prior written consent of the given Applicant.

Confidentiality shall not apply to information that:

- a) are already known to the public or become known due to a reason outside the activity or omission of the receiving party, or
- b) have been demonstrably received by the third party prior to the announcement of the given Applicant/Bidder, or
- c) are received by the receiving party from a third party that is not bound by the obligation of confidentiality with regard to the party to whom the information is relating, or
- d) are published or disclosed to the required extent, on the basis of the law, stock exchange regulation or other provisions, or
- e) are provided to the competent regulatory authority for the evaluation of the Project.

In case of the Open Season procedure or the Project fails to launch or cancelled by any reason this does not affect the non-disclosure obligation, which is valid for 3 years from the cancellation of the Open Season procedure.

Notifications

Any notification forms - not clarified in current document - and other correspondence shall be communicated in attention to the below contact person(s) in writing by post, personally handed over or via courier. All notifications and correspondence shall be made in Hungarian or English.

Contact of FGSZ Zrt.:

Address: Tanácsház utca 5, Siófok H-8600, Hungary
Attention to Balázs Tatár, Head of Sales and Customer Support

All notifications and correspondence shall be binding from the time of receipt by FGSZ.

Any questions regarding the Open Season process shall be sent to the following email address:
kap@fgsz.hu.

Other provisions

Applicant shall mean those Network User according to Act XL of 2008 Article 3 paragraph 51a., who submit their application to the transmission system operator (TSO) regarding the intention of participating in the binding Open Season procedure.

Current Information on Registration for the Binding Open Season Procedure is made available in Hungarian and English. In case of any discrepancy between the Hungarian and the English version, the Hungarian version shall be authoritative.

Annexes

The Open Season registration contains the following annexes:

Annex 1. (Registration form)

Annex 2. (Data management contribution)