

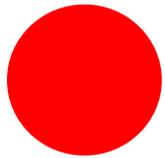


Commercial Division

INČUKALNS UGS CAPACITY AUCTION REGULATION

MARCH 4, 2021

AGENDA



**SEMINAR WILL BE
RECORDED**

- Auction calendar 2021
- Deadlines March 2021
- Authorisations
- Offer submission
- Passwords
- Allocations
- Information publication
- Payments
- Tariffs
- Useful links
- Q&A

CALENDAR

AUCTIONS 2021

SEPARATE
ANNOUNCEMENT FOR
EACH AUCTION WILL
TAKE PLACE

Nr.	Capacity product	Auction date	Auction regulation publication date
1	Bundled capacity product	15.03.2021	01.03.2021
2	Two-year bundled capacity product	15.03.2021	01.03.2021
3	Bundled capacity product	21.04.2021	06.04.2021
4	Two-year bundled capacity product	21.04.2021	06.04.2021
5	Bundled capacity product	18.05.2021	30.04.2021
6	Two-year bundled capacity product	18.05.2021	30.04.2021
7	Interruptible capacity product	01.06.2021	17.05.2021
8	Interruptible capacity product	15.06.2021	01.06.2021
9	Interruptible capacity product	01.07.2021	11.06.2021
10	Interruptible capacity product	15.07.2021	30.06.2021
11	Interruptible capacity product	29.07.2021	14.07.2021
12	Interruptible capacity product	12.08.2021	28.07.2021

Available capacity

10 876 643 MWh

2 000 000 MWh

Available capacity for the next Auctions shall be published together with each Auction regulation

April auctions:
1YBCP – available capacity minus additional 1YBCP transfer stocks evaluation
2YPCP – what is left after March 15 Auction

May auctions:
1YBCP – available capacity + capacity excess after technical capacity determination
2YPCP – what is left after April 21 Auction

June – August Auctions:
Any available capacity as Interruptible product

Auctions 4 and 6 - 12 will take place if there will be free capacity available with respective capacity product

DEADLINES

MARCH 2021

- Auction regulation March 1
- Application for participation March 1 - 10
 - Digitally signed* or on paper
- Auction March 15
 - Submission of offers 12:00 – 14:00
 - .xls, .ods, .pdf
 - Password protected
 - Digitally signed*
 - Submission of passwords 14:00 – 15:00
- Auction result publication March 16 before 11:00
- Only System users with concluded Balancing agreement, Transmission agreement (with Conexus or Elering) and Storage agreement can participate in Auctions.

- Signed electronically by means of .EDOC or .ASICE or PDF. Other types of electronic signatures, which do not fall under the qualified signature category according to eIDAS, are accepted if separate agreement between Conexus and the market participant is concluded on the mutual recognition of such electronic signatures. This applies to both - for the auction application and the auction offer submission
- Signatures can be validated here:
 - For all countries - <https://ec.europa.eu/cefdigital/DSS/webapp-demo/validation>
 - For Estonia, Latvia and Lithuania - www.eparaksts.lv

Please send demo file protected with password to verify that everything works properly!!!

OFFERS

AUCTION ID:

1YBCP

IPGK1YP/1/2021

2YBCP:

IPGK2YP/2/2021

				Annex
				Year 2021/2022 Storage Cycle
				Bundled capacity product Auction Regulation
				(ID. No. Conexus Baltic Grid IPGK1YP/1/2021)
Auction Offer Sheet (OFFER)				
Bundled capacity product auction (id. No. Conexus Baltic Grid IPGK1YP/1/2021)				
Digital timestamp				
The auction participant:				
		EIC code:		
		Legal address:		
		Phone number:		
		Email address:		
We are hereby submitting our offer for the auction of year 2021/2022 storage cycle Bundled capacity product (“Auction”) under the following conditions:				
Price bid No.	Bundled capacity product amount * * (MWh)	Bundled capacity product amount *		Price (EUR/MWh) * *
		Fixed	Variable	
				*

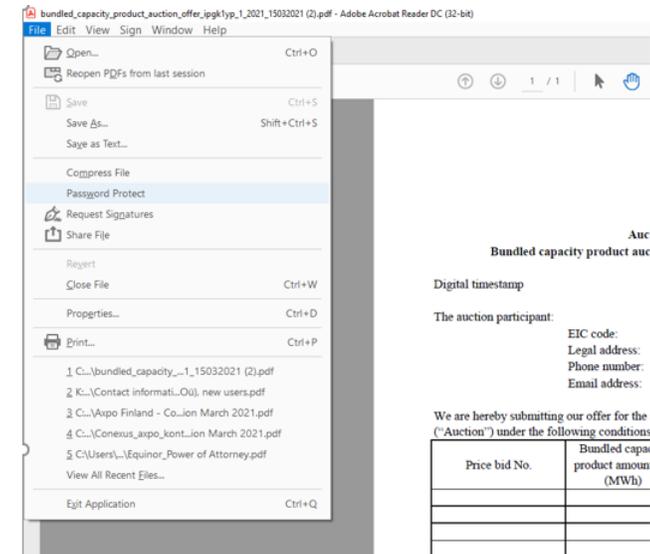
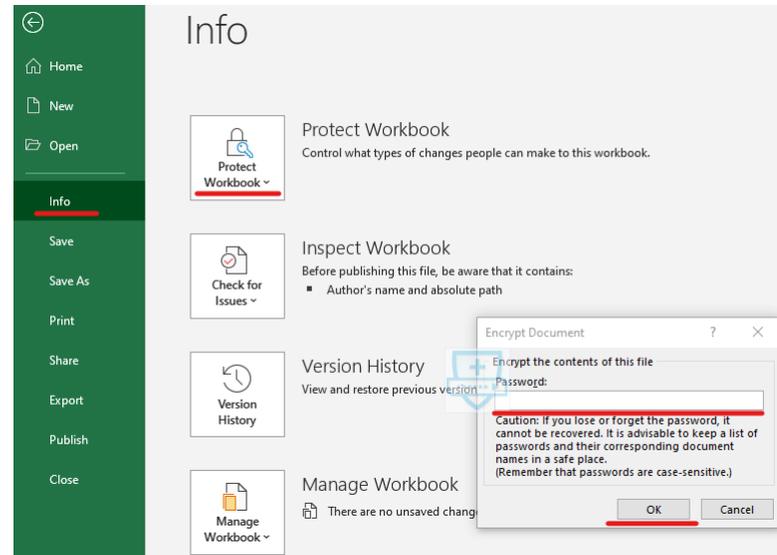
Separate Offer Sheet for each product auction
 Unlimited number of bids – rows in the offer sheet

OFFERS

- Send to auction@conexus.lv on March 15 12:00 – 14:00 Latvian time
- Offers received outside this time will not be accepted
- Signed by authorized person
 - Microsoft Excel or Open Document Sheet digitally signed in .edoc, .asice or pdf format by qualified electronic signature
 - Digitally signed by other signatures in .pdf format if separate agreement is concluded with Conexus)
 - Preferred way to export Excel to PDF via Export functionality
- Unlimited number of bids (rows in Auction Offer Sheet)
- Minimum bid size - 1 MWh
- Maximum each bid size for Auction on March 15, 2021:
 - 1YBCP 10 876 643 MWh
 - 2YBCP 2 000 000 MWh
- One Offer with one e-mail
- Fixed or variable
- Conexus confirms receipt immediately, but not later than March 15, 2021 14:05
- Many offers can be submitted but last one will be evaluated
- Minimum Bid price for Capacity product is 0 EUR MWh

PASSWORD

- Auction Offer sheet shall be protected with password!
- Send password to auction@conexus.lv on March 15 14:00 – 15:00 Latvian time
- Conexus confirms receipt immediately, but not later than March 15, 2021 15:05
- Password received outside this time will not be accepted
- Offer will not be considered if the Offer is not protected by password, password is incorrect, not submitted or the offer cannot be opened



PDF application may need to be upgraded to ensure password protection

ALLOCATIONS

PAY AS CLEARED

EXAMPLE DUMMY NUMBERS

Maximum available capacity	2000
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User	Bid amount	Price
1	100	1.00
2	200	0.50
3	100	1.50
4	600	2.00
5	1000	0.20
6	50	1.20
Total	2050	

User	Bid amount	Prices sorted largest to smallest	Cumulative bid amount
4	600	2.00	600
3	100	1.50	700
6	50	1.20	750
1	100	1.00	850
2	200	0.50	1050
5	1000	0.20	2050
Total	2050		

User	Allocations	Price pay-as-cleared
4	600	0.20
3	100	0.20
6	50	0.20
1	100	0.20
2	200	0.20
5	950	0.20
Total	2000	

Price (premium) is fee on top Of the tariff approved by PUC

Minimum price – 0 EUR/MWh

Minimum bid size – 1 MWh

If amount is fixed and it has to be confirmed less than in bid then it shall be excluded from calculation and following bid will be included in calculation

If there are 2 identical closing bids that has to be reduced, then it is done proportionally

INFORMATION

- Auction result publication on March 16 before 11:00 Latvian time (EET)
 - Auction results information on IT Platform first page (after login) and on Conexus web site
 - Total requested amount of storage capacity in the course of Auction
 - Total amount of storage capacity allocated within the Capacity product as a result of the Auction
 - Premium applicable to it EUR/MWh
 - Information regarding the results of the Auction to the respective Auction Participant electronically only in the part attributable to the Offer submitted by the respective Auction Participant.

PAYMENTS

- Base tariff according to PUC + Premium according to Auction outcome
- Both in one invoice
- Monthly invoices throughout the storage cycle
- Total invoice including Premium is basis of setting required collateral according to Storage regulation

TARIFFS

- PUC publication on March 1, 2021
- <https://www.sprk.gov.lv/en/events/puc-approves-lower-natural-gas-storage-tariffs>
- Tariff period:
 - JSC Conexus Baltic Grid's storage service tariffs approved by the PUC are intended for a five-year regulatory period (from 1 May 2021 to 30 April 2026).

Types of tariffs	Approved tariffs (EUR/MWh) for the storage cycle
Bundled capacity product	1,0226
Two-year bundled capacity product*	1,0865
Interruptible capacity product	0,8148
Stock restorage product	1,7796
Virtual reverse -flow product	0,3471

* Tariff is set for one storage cycle

LINKS

- All March 15, 2021 Auction documentation is available:
 - On Latvian [here](#)
 - On English [here](#)
 - [Incukalns UGS 2020/2021 storage cycle](#)

The background of the image is a blurred industrial setting, likely a power plant or refinery. It features various pipes, valves, and machinery in shades of grey, red, and yellow. The focus is on the text in the center, which is overlaid on this background.

THANK YOU!
capacity@conexus.lv
auction@conexus.lv
www.conexus.lv