

## STORAGE DIFFERENTIATED SERVICES FROM 15th OF JANUARY, 2019

	2 Year Bundled Capacity Product	Bundled Capacity Product	Market Product
Product code	IPGK2YP	IPGK1YP	IPGKMP
Included services			
Injection	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> (interruptible)
Storage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Withdrawal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> (interruptible)
Virtual reverse flow	<input checked="" type="checkbox"/> (interruptible)	<input checked="" type="checkbox"/> (interruptible)	<input checked="" type="checkbox"/> (interruptible)
Tariff type	<b>Tariff 4,90056 EUR/MWh</b>	<b>Tariff ceiling 3,52056 EUR/MWh</b>	<b>Tariff floor 1,38 EUR/MWh</b>
Tariff calculations	--	At the end of the storage cycle, a recalculation (downward) according to the booking earnings from other storage services	Changes every Monday depending on gas future prices, but no less than the tariff floor
Availability for reservation	From January 15, 2019 and all 2019/2020 and 2020/2021 Storage Cycles	From January 15, 2019 and all 2019/2020 Storage Cycle	From January 15, 2019 until August 30, 2019
Availability for use	Two Storage Cycles	Storage Cycle	Storage Cycle
Possible additional costs	Natural gas for injection process (shrinkage gas)	Natural gas for injection process (shrinkage gas)	Natural gas for injection process (shrinkage gas) Use of the virtual reverse flow

- The unit price of the **Market Product** is in Euro with the right to store one megawatt-hour of natural gas per one storage cycle (injection and withdrawal season).

- **Market Product** price is determined by the formula:

$$T_{MP} = \begin{cases} T_{BCP}, & \text{if } (W - S) \geq T_{BCP} \\ W - S & \\ T_{min}, & \text{if } (W - S) \leq T_{min} \end{cases}$$

$T_{MP}$  – Market product tariff, EUR/MWh;

$T_{BCP}$  – Bundled capacity product tariff, EUR/MWh;

$T_{min}$  – lowest price for the market product for specific storage cycle storage, EUR/MWh;

**W** – natural gas settlement price for the following winter season for futures contracts in the Gaspool delivery zone, which is published on the Powernext website (<https://www.powernext.com/futures-market-data>, Settlement prices on Seasons and Calendars, GPL sadaļā “Season +2” (till March 27, 2019), “Season +1” (after March 27, 2019). The natural gas settlement price for the following winter season till March 27, 2019 has published at section “Season +2”, but after march 27, 2019 – at section “Season +1”), EUR/MWh\*.

**S** – natural gas settlement price for the following month for futures contracts in the Gaspool delivery zone, which is published on the Powernext website (<https://www.powernext.com/futures-market-data>, Settlement prices on Months and Quarters, GPL sadaļā “Month +1), EUR/MWh.

- **Market Product** price is the summer winter spread and is recalculated weekly. The market product price is set every Monday after 17:00 (Latvian time). If there is no available data for the day on a Monday, the price will be determined according to the latest available data on Monday 17:00.
- **Market Product** price fluctuations after booking of a product will not affect the price for already approved bookings.

\*According to the POWERNEXT DERIVATIVES / PEGAS Regulated Market Notice n° DERIVATIVES September 28, 2018, page 46, published start and end dates of contracts.

[https://www.powernext.com/sites/default/files/download\\_center\\_files/280918\\_PWX\\_DERIVATIVES\\_Market\\_Notices\\_EN\\_French%20Zone%20merger\\_clean\\_0.pdf](https://www.powernext.com/sites/default/files/download_center_files/280918_PWX_DERIVATIVES_Market_Notices_EN_French%20Zone%20merger_clean_0.pdf)