



**GAS BALANCING
MANUAL**

Version 1

CHAPTER 1

GENERAL PROVISIONS

Article 1.1

1. This Gas Balancing Manual (hereinafter referred to as the ‘Manual’) shall be implemented in complementarity with the provisions of Law 4001/2011, the NNGS Network Code (hereinafter referred to as the ‘Code’) and the relevant Framework Agreements for Natural Gas Transmission concluded between Transmission Users and Operator (hereinafter referred to as the ‘Transmission Agreement’).
2. The terms referred to in this Manual shall have the meaning ascribed to them in Law 4001/2011, the Network Code, the Transmission Agreement or its individual provisions.
3. Within thirty (30) days of the end of each Month, the Operator shall submit a Report on the Operation of the Balancing Platform to the Regulatory Authority for Energy (RAE). For each auction conducted by the Operator within that Month, the report will indicate whether the auction relates to the purchase or sale of Balancing Gas by the Operator, the Short Term Standardised Product auctioned, the Natural Gas Quantity to be auctioned, the Natural Gas Quantity awarded per successful Transmission User, the unit price of each bid, as well as the auction’s marginal bid price. In addition, the report will include, for each Day (d) of that month, the Marginal Buy and Sell Price for Balancing Gas, and the Balancing Gas Reference Price. Lastly, the Report will include the cases and respective grounds for postponing or cancelling an auction in accordance with the provisions of paragraphs [5] and [8] of Articles [2.3] and [2.4] respectively, and the amendment or withdrawal of an Upper and/or Minimum Unit Price Limit, in accordance with the provisions of paragraph [3] of Article [3.3].

CHAPTER 2

SHORT-TERM STANDARDISED PRODUCTS

Article 2.1

Characteristics of Short-term Standardised Products

1. The purchase and sale of Balancing Gas on any given day is conducted through market transactions in the following Short Term Standardised Products:
 - A) Daily Title Product
 - B) Intraday Title Products
2. The characteristics of a Daily Title Product market transaction are the following:
 - A) The Daily Title Product is auctioned on the Day before the reference Day on which the Operator performs the Balancing Action

- B) The Natural Gas Quantity pertaining to the Daily Title Product is an integer multiple of 10,000 kWh, with a minimum Natural Gas Quantity of 10,000 kWh.
 - C) To allocate to the Transmission User the Natural Gas Quantity the latter acquired from the Operator or disposed to the Operator through the Daily Title Product, it is necessary to submit a Daily Trade Notification with a confirmation of the Natural Gas Quantity from the Operator in accordance with the provisions of Chapter [4A] of the Code.
 - D) The Natural Gas Quantity pertaining to the Daily Title Product can be injected into/withdrawn from the NNGTS at any Entry/Exit Point of the NNGTS, as appropriate, and is deemed to take place at a constant rate from the beginning of the Day on which the Operator performs the Balancing Action and by the end of the same Day.
3. The characteristics of an Intraday Title Product are the following:
- A) The Intraday Title Product is auctioned on the Day on which the Operator performs the Balancing Action.
 - B) The Natural Gas Quantity pertaining to the Intraday Title Product is an integer multiple of 10,000 kWh, with a minimum Natural Gas Quantity of 10,000 kWh.
 - C) To allocate to the Transmission User the Natural Gas Quantity the latter acquired from the Operator or disposed to the Operator through the Intraday Title Product, it is necessary to submit a Daily Trade Notification with a confirmation of the Natural Gas Quantity from the Operator in accordance with the provisions of Chapter [4A] of the Code.
 - D) The Natural Gas Quantity pertaining to the Intraday Title Product can be injected into/withdrawn from the NNGTS at any Entry/Exit Point of the NNGTS, as appropriate, and is deemed to take place at a constant rate from the beginning of the third (3rd) hour from the deadline for the announcement of the results of the respective auction, pursuant to the provisions of Article [2.4], by the end of the Day on which the Operator performs the Balancing Action.

Article 2.2

Conduct of Short Term Standardised Product Auctions

1. Short Term Standardised Product auctions are conducted in accordance with the provisions of Article [2.3] in the case of a Daily Title Product, and in accordance with the provisions of Article [2.4], in the case of Intraday Title Products.
2. Transmission Users shall have the right to submit bids to Daily Product Title auctions within the time period specified in Article [2.3], provided that:
 - A) An Approved Application for Access to the VTP is in effect on the Day of submission of bids, and the Operator has not interrupted the provision of services to them on the Day in question, in accordance with the relevant provisions of the Network Code and the Transmission Agreement, and

- B) The Approved Application for Access to the VTP shall also be valid for the Day immediately following the Day of submission of bids and the Operator has not interrupted provision of services to them on the Day in question in accordance with the relevant provisions of the Network Code and the Transmission Agreement.
3. Transmission Users have the right to submit bids in respect of auctions for Intraday Title Products within the time period specified in Article [2.4] provided they hold a valid Approved Application for Access to the VTP on the Day of submission, and the Operator has not interrupted the provision of services to them on that Day, in accordance with the relevant provisions of the Network Code and the Transmission Agreement.
 4. The procedure for submitting and evaluating bids in relation to each auction and any relevant details is regulated in accordance with the provisions of Articles [2.5] and [2.6], respectively.
 5. The award of auction results, the procedure for payment of the price, and the procedure for delivery of the natural gas quantities auctioned, are regulated by the Network Code, and in particular by Article [44^B] thereof.

Article 2.3

Conduct of Daily Title Product Auctions

1. By 16:30 of each Day (d), the Operator shall announce on the Balancing Platform its assessment as to whether it is necessary to conduct an auction for the purchase or sale of Balancing Gas on Day (d + 1) through a Daily Title Product. The Operator may, at its sole discretion, revise the above assessment once or more than once by 22:00 of that Day (d). In any such case, the Operator will notify Transmission Users by means of announcements on the Balancing Platform. Any announcements of the Operator posted on the Balancing Platform at 22:00 on Day (d) are binding on the Operator. Any prior announcements are for information purposes only and do not produce legal effects for the Operator, the Transmission Users or any third parties.
2. Any announcement by the Operator regarding the holding of an auction must include details of at least the following:
 - A) The Day on which the Daily Title Product is being (potentially) auctioned.
 - B) Whether the auction relates to purchase or sale of Balancing Gas.
 - C) The Natural Gas Quantity to be auctioned must be an integer multiple of 10,000 kWh, with a minimum Natural Gas Quantity of 10,000 kWh.
 - D) Any upper and/or lower Bid unit price limits.
3. The timing of the auction starts at 22:00 and ends at 23:00 on Day (d).
4. Within one (1) hour after expiry of the auction period, the Operator will notify successful Transmission Users of each bid successfully awarded in the auction, the Natural Gas Quantity allocated to each of them, and the corresponding total buy/sale price, as the case may be, for the specific Natural Gas Quantity.
5. The Operator is entitled to:

- A) Cancel the auction at any time during the auction period without entailing any consequences for the Operator and/or creating obligations towards Transmission Users who have submitted bids before the time at which the auction was cancelled.
- B) Cancel the auction after expiry of the time limit and before the deadline for the announcement of the results of the auction in accordance with paragraph [4], if it is not possible to assess the tenders of participants for reasons of force majeure in accordance with Article 7(1) and (2) of the Transmission Agreement. For the purposes hereof, instead of paragraph 3 of the above article of the Transmission Agreement, in the event of force majeure the Operator and the participants in the auction shall be exempt from liability for failure to fulfill their obligations insofar as non-fulfillment of the obligations is due to or is caused by that event of force majeure, provided that the person who invokes it notifies immediately by any appropriate means the persons affected by it regarding the circumstances constituting the Force Majeure event.

In each of the above cases, the Operator shall notify Transmission Users accordingly by any appropriate means.

Article 2.4

Conduct of Intraday Title Product Auctions

1. The Operator shall announce its decision to conduct an Intraday Title Product Auction on any given Day, within the Auction Announcement Period of the Day in question. The Auction Announcement Period of each Day commences at 07:00 (the start time of the Auction Announcement of Period) and ends at 01:00 on the same Day (end time of the Auction Announcement Period).
2. The Auction Announcement Period consists of eighteen (18) consecutive hourly Auction Announcement Cycles, which are determined in accordance with the following:
 - A) The first Auction Announcement Cycle shall commence at the start of the Auction Announcement Period and expires at 08:00.
 - B) The last Auction Announcement Cycle shall commence at 00:00 and expires at the end of the Auction Announcement Period.
3. Each Auction Announcement Cycle corresponds to a single Intraday Title Product.
4. If the Operator considers, at its absolute discretion, that an Auction of an Intraday Title Product is required, it will make the relevant announcement at any time during the respective Auction Announcement Cycle, which may be revised one or more times up until the end of the cycle in question. In any such case, the Operator shall notify Transmission Users by means of announcements on the Balancing Platform. Any announcements made by the Operator and posted on the Balancing Platform at the end of the Auction Announcement Cycle shall be binding on the Operator. Any prior announcements are for information purposes only and do not produce legal effects for the Operator, the Transmission Users or any third parties.

5. Any announcement by the Operator regarding the holding of an auction must set out details of at least the following:
 - A) The Day to which the Intraday Title Product relates.
 - B) Whether the auction relates to buy or sale of Balancing Gas.
 - C) The Natural Gas Quantity for auction must be an integer multiple of 10,000 kWh, with a minimum Natural Gas Quantity of 10,000 kWh.
 - D) Any upper and/or lower Bid unit price limits.
6. The time period for each auction starts at the end of the Auction Announcement Cycle within which the relevant auction is announced and ends one (1) hour later.
7. Within one (1) hour after expiry of the auction period, the Operator will notify successful Transmission Users participating regarding each bid successfully awarded in the auction, the Natural Gas Quantity allocated to each of them, and the corresponding total buy/sell price, as the case may be, for the specific Natural Gas Quantity.
8. The Operator is entitled to:
 - A) Cancel the auction at any time during the auction period without entailing any consequences for the Operator and/or creating obligations towards Transmission Users who have submitted bids before the time at which the auction was cancelled.
 - B) Cancel the auction after expiry of the time limit and before the deadline for the announcement of the results of the auction in accordance with paragraph [7], if it is not possible to assess the tenders of participants for reasons of force majeure in accordance with Article 7(1) and (2) of the Transmission Agreement. For the purposes hereof, instead of paragraph 3 of the above article of the Transmission Agreement, in the event of force majeure the Operator and the participants in the auction shall be exempt from liability for failure to fulfill their obligations insofar as non-fulfillment of the obligations is due to or is caused by that event of force majeure, provided that the person who invokes it notifies immediately by any appropriate means the persons affected by it regarding the circumstances constituting the force majeure event.

In each of the above cases, the Operator shall notify Transmission Users accordingly by any appropriate means.

Article 2.5

Bid Submission Procedure

1. Transmission Users who, pursuant to the provision of paragraph [2] of Article [2.2], have the right to bid in a Daily Product Auction may place a bid on the Balancing Platform within the time period beginning at 16:30 on Day (d)) and expiring:
 - A) at 22:00 on Day (d), provided that no auction is conducted by the Operator on Day (d), or
 - B) at 23:00 on Day (d), when an auction is held by the Operator on Day (d).

2. Transmission Users who, in accordance with the provisions of paragraph [3] of Article [2.2], have the right to bid in auctions of Intraday Title Products, may submit bids on the Balancing Platform in relation to one or more Intraday Title Products pertaining to Day (d), within a time period that begins, for each Intraday Title Product, at 07:00 on Day (d) and expires:
 - A) at the end of the auction for the specific Intraday Title Product, provided that on Day (d) an auction is being conducted by the Operator for that Intraday Product; or
 - B) at the end of the respective Auction Announcement Cycle, provided that during this cycle the Operator has not announced an auction.
3. Each bid includes the following:
 - A) The Transmission User's EIC code.
 - B) The Day to which the Short Term Standardised Product refers.
 - C) The type of Short Term Standardised Product.
 - D) Where the bid relates to an Intraday Title Product, the specific auction in respect of which it is submitted should be specified.
 - E) Whether the bid concerns a purchase of natural gas by the Operator or a sale of natural gas to the Operator.
 - F) The Natural Gas Quantity, which must be an integer multiple of 10,000 kWh, with a minimum Natural Gas Quantity of 10,000 kWh.
 - G) The unit price of each bid. The unit price is expressed in Euros per ten thousand KW (EUR/10,000 kWh) to two (2) decimal points and must be greater than zero (0).
 - H) Participant's statement declaring whether or not they grant their consent to partial acceptance of their bid, if the conditions of paragraph [6] of article [2.6] are met.
4. Bids from Transmission Users which are:
 - A) submitted after the bidding period provided for each Short Term Standardised Product, in accordance with paragraphs [1] and [2], and/or
 - B) include information which is incomplete and/or incorrect with respect to the details required in accordance with paragraph [3] above,
they shall be treated as invalid and shall be rejected.
5. Throughout the period referred to in paragraphs [1] or [2], where applicable, Transmission Users are entitled to bid to buy and/or sell Balancing Gas, regardless of whether the Operator has already made an announcement on the Balancing Platform regarding any auction for the purchase or sale of Balancing Gas, without restrictions in relation to:
 - A) the Natural Gas Quantity, subject to the provisions of paragraph [3], point F),
and
 - B) the amount of the unit bid price.
6. The maximum number of bids that may appear on the Balancing Platform at any given time for each Transmission User bidding in connection with a specific Short

Term Standardised Product auction is five (5) bids to buy and five (5) bids to sell Balancing Gas. Each Transmission User may withdraw or change their valid bids within the bidding period provided for each auction, provided that the total number of bids they submitted in the Balancing Platform does not exceed the maximum number of bids as provided for in the first sentence.

7. Throughout the bidding period provided for each auction, each participating Transmission User is notified via the Balancing Plate of any valid bid submitted by another Transmission User only as to whether the bid relates to a gas purchase or sale of natural gas by the Operator, the Natural Gas Quantity and the unit price included therein, without reference to the details of the Transmission User submitting the bid. The Operator ensures the secrecy of the auction process and the anonymity of participants' bids

Article 2.6

Bid evaluation process

1. The Operator shall initiate the process of evaluating bids by the end of the bidding period set for each auction.
2. During the evaluation process, the Operator shall classify valid bids depending on the respective unit bid price, as follows:
 - A) In ascending order, in the case of purchase of Balancing Gas by the Operator, commencing the ranking from the lowest unit bid price. In the case of two or more bids with the same unit price, bids are ranked in descending order of Natural Gas Quantity. In the case of two or more bids with the same unit price and the same Natural Gas Quantity, bids are ranked based on the priority order of their submission to the Balancing Platform.
 - B) In descending order, in the case of sale of Balancing Gas by the Operator, commencing the ranking from the highest unit bid price. In the case of two or more bids with the same unit price, bids are ranked in descending order of Natural Gas Quantity. In the case of two or more bids with the same unit price and the same Natural Gas Quantity, bids are ranked based on the priority order of their submission to the Balancing Platform.

If the Natural Gas Quantity included in a valid bid is greater than the Natural Gas Quantity available for auction, and providing the participant has consented to partial acceptance of their bid, when bidding in accordance with A and B above takes place, the Operator takes into account only that part of the Natural Gas Quantity which is equivalent to the quantity available for auction.

3. In the course of the evaluation process, the Operator rejects each Transmission User's bid if:
 - A) The bid relates to the sale of the Balancing Gas by the Transmission User to the Operator, whereas the auction to which this bid was submitted is carried out for the sale of Balancing Gas by the Transmission Operator to Transmission Users or the vice versa and/or

- B) the unit price is higher than the Maximum Unit Price Limit or less than the Minimum Unit Price Limit valid for the auction in question, and/or
 - C) the Natural Gas Quantity offered is greater than the Natural Gas Quantity available for auction and the Transmission User has not agreed to the partial acceptance of the offer.
4. Following implementation of the provisions as per paragraph [2], the Operator adds up the Natural Gas Quantities of the successive bid rankings, commencing from the first one in the bidding rank.
 5. If the sum of the Natural Gas Quantities of all bids in the ranking is less than the Natural Gas Quantity available, each Transmission User participating in the auction, for each of their bids included in the evaluation process, is allocated a portion of the Natural Gas Quantity auctioned equivalent to the Natural Gas Quantity of its respective bid, and the evaluation process is complete.
 6. If the sum of the Natural Gas Quantities of the (n) first successive bids in the ranking is less than the Natural Gas Quantity available for auction, each Transmission User participating in the auction, and for each of their bids included in the evaluation process which form part of the (n) first successive bids, is allocated a portion of the Natural Gas Quantity auctioned which is equivalent to the Natural Gas Quantity of its respective bid, and the evaluation process is complete.
 7. If the sum of the Natural Gas Quantities of the (n) first consecutive bids in the ranking is less than the Natural Gas Quantity for auction and the sum of the Natural Gas Quantities (n + 1) first consecutive bids in the ranking is greater than the Natural Gas Quantity for auction, the following arrangements are applicable:
 - A) If the Transmission User who submitted the bid(n + 1) has agreed to its partial acceptance, this bid constitutes the auction's Marginal Bid/Offer. In this case, the evaluation process is completed as follows:
 - (i) Each Transmission User participating in the auction, and for each of their bids included in the evaluation process which form part of the (n) first successive bids in the ranking, is allocated a portion of the Natural Gas Quantity auctioned which is equivalent to the Natural Gas Quantity of their respective bid.
 - (ii) The Transmission User submitting the Marginal Bid in relation to this bid, will be allocated the remainder of the Natural Gas Quantity auctioned, after deducting from the auctioned quantities the Natural Gas Quantities allocated to Transmission Users in accordance with case (i).
 - B) If the Transmission User who submitted the bid (n + 1) has not consented to its partial acceptance, the Operator will repeat the tender evaluation procedure in accordance with the above, without subsequently taking the specific bid into account in the evaluation process. The process is repeated until the auction marginal bid is determined, in which case the provisions of Case A) apply, or when the conditions of paragraphs [5] or [6] are met.

CHAPTER 3

DAILY IMBALANCE SETTLEMENT PRICES

Article 3.1

Balancing Gas Reference Price

1. The Balancing Gas Reference Price (BGRP) for Day (d), in Euro per kWh GCV, shall be calculated as the product of the European Gas Spot Index for the delivery of Natural Gas on Day (d) to the Title Transfer Facility (EGSI_{TTF}) virtual trading point, as published on the Powernext website, multiplied by 0,001.
2. The Operator shall publish the Balancing Gas Reference Price for Day (d) on the Electronic Information System, before 13:00 of Day (d) (BGRP Announcement Deadline).
3. If the EGSI_{TTF} value for Day (d) is not published on the Powernext website before the BGRP Announcement Deadline, the Balancing Gas Reference Price for Day (d-1) is taken as the Balancing Gas Reference Price Day (d).

Article 3.2

Balancing Gas Marginal Buy Price and Balancing Gas Marginal Sell Price

1. The Balancing Gas Marginal Buy Price (BGMBP) and the Balancing Gas Marginal Sell Price (BGMSP) for Day (d) shall be calculated in accordance with Article [53^A] of the Network Code.
2. For the calculation of the Balancing Gas Marginal Buy Price, the small adjustment, as provided for in Article [53^A] paragraph [3], is set at ten percente 10% of the Balancing Gas Reference Price for Day (d).
3. If the conditions set out in the provisions of paragraph [6] of Article [53A] are met, the following shall apply to the calculation of the Balancing Gas Marginal Buy Price, in addition to those set out in paragraph [2]:
 - A) The Substitution Price is the arithmetic average of the Balancing Gas Reference Price for Day (d) and the MGMBP for Day (d-1).
 - B) The Multiplier Factor is set at a value equal to 1.1.
4. For the calculation of the Balancing Gas Marginal Sell Price, the small adjustment, as provided for in Article [53^A] paragraph [4], Case B) is set at ten percente 10% of the Balancing Gas Reference Price for Day (d).
5. If the reasons set out in the provisions of paragraph [6] of Article [53^A] are met, the following shall apply to the calculation of the Balancing Gas Marginal Sell Price, in addition to those set out in paragraph [4]:
 - A) The Substitution Price is the arithmetic average of the Balancing Gas Reference Price for Day (d) and the BGMSP for Day (d-1) and
 - B) The Reduction Factor is set at a value equal to 0.9.

6. Pursuant to the provision of paragraph [6] of Article [44^B] of the Network Code, the Operator shall publish the following on the Electronic Information System at the end of each Short Term Standard Product auction:
 - A) The Natural Gas Quantity purchased or sold by the Operator in the context of this auction, and the total buy or sale price of that quantity, respectively,
 - B) the maximum unit buy bid or the minimum unit sell bid of the Natural Gas Quantity awarded in the auction in question, as the case may be.
7. Within one (1) hour of the start of each Day (d), the Operator shall publish the Current Balancing Gas Marginal Buy Price (Current BGMBP) and Current Balancing Gas Marginal Sell Price (Current BGMSP) for Day (d) on the Electronic Information System. The current BGMBP and the current BGMSP shall be calculated based on data available to the Operator by the time of the announcement, in accordance with the calculation methodology of BGMBP and BGMSP, respectively, as defined in the provisions of Article [53^A] of the Network Code. During Day (d), the Current BGMBP and the Current BGMSP are updated by the Operator whenever there is newer data available and, in particular, after each Short Term Standardised Product auction and after the announcement of the Balancing Gas Reference Price (BGRP) for Day (d). The above announcements are for information purposes only, are not binding on the Operator, and do not produce legal effects for the Operator, Transmission Users or third parties.

Article 3.3

Upper and Lower Unit Price Bid Limits

1. The maximum unit price limit for an auction related to the purchase of Balancing Gas for Day (d) is expressed in Euros per ten thousand KW (EUR/10,000 kWh), to two (2) decimal places; and is defined as the product of twice the Balancing Gas Reference Price of Day (d-2) and the factor 10,000.
2. The minimum unit price limit for an auction related to the sale of Balancing Gas for Day (d) is expressed in Euros per ten thousand KW (EUR/10,000 kWh), to two (2) decimal places; and is defined as the product of half the Balancing Gas Reference Price of Day (d-2) and the factor 10,000.
3. The Operator may, at its absolute discretion, modify or entirely lift the existing Maximum and/or Minimum Bid Unit Price Limit on auctions related to the purchase/sale of Balancing Gas during:
 - A) A Day of Potential Limitation of Deliveries/Receptions , as defined in Article [51] of the Network Code.
 - B) A Limited Natural Gas Flow Day, as defined in Article [65^A] of the Network Code.
 - C) A Day when the Operator has declared Alert Status 2 (Standby Level), as defined in Article [64] of the Network Code and the Emergency Plan.
 - D) A Day when the Operator has declared Alert Status 3 (State of Emergency), as defined in Article [65] of the Network Code and the Emergency Plan.

- E) Any other Day, taking into account prevailing supply and demand conditions and price formation in the Greek natural gas market and/or other natural gas markets in the European Union.
4. The Operator shall announce any decision to modify the Maximum and/or the Minimum Bid Unit Price via the Electronic Information System before the first auction to which the Operator's decision under paragraph [3] is to apply.

UNOFFICIAL TRANSLATION