



THESSALONIKI FSRU PROJECT

4/12/2023

GUIDELINES FOR THE NON-BINDING PHASE OF THE MARKET TEST

GLOSSARY

Authority	shall mean the Regulatory Authority for Waste, Energy and Water of Greece.
Binding Phase	shall mean the potential subsequent phase of the Market Test where Interested Parties are invited by Elpedison to submit binding offers for Regasification Capacity.
Binding Phase Guidelines	shall mean the guidelines for the Binding Phase of the Market Test to be issued by the Authority after the Non-Binding Phase of the Market Test is completed.
Business Day	means a working day in Athens, Greece, excluding weekends and public holidays.
Commercial Operation Date (COD)	shall mean the date on which the Project will be completed and able to commercially receive, store, regasify, send-out and transport the regasified natural gas.
Elpedison	shall mean Elpedison S.A., the company incorporated under Greek Law (entered into the Commercial Register of the Registry Agency (General Commercial Registry – ΓΕΜΗ) under unified identification code [009246101000], for developing, designing, financing, managing, constructing, owning and operating on a long-term basis the Project and whose sole Shareholder is «Elpedison B.V.») (100% share).
Exemption Application	shall mean the application filed by Elpedison for exemption from the provisions of the Gas Directive related to third-party access, tariff regulation and unbundling, in accordance with Article 36 of the Gas Directive.
FID	shall mean final investment decision.
FSRU	shall mean Floating Storage and Regasification Unit.
FSU	shall mean Floating Storage Unit.
Gas Delivery Point	shall mean the entry point to the NNGTS. The geographical location of the entry point shall be in proximity to the existing M/R Station supplying Elpedison's power plant in Thessaloniki area.
Gas Directive	shall mean the Gas Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas.
Interested Parties	shall mean all third parties, including gas shippers, Transmission System Operators, Elpedison as well as Elpedison shareholders who are willing to participate in the Non-Binding Phase of the Market Test.

LNG	shall mean liquefied natural gas.
LNG Terminal	shall mean the FSRU and FSU together with the accompanying equipment for mooring of the vessels, unloading of LNG, and regasification of LNG.
Market Test	shall mean the non-binding process set out hereunder, and the future potential binding process defined in Article 36 par. 66 of the Gas Directive, which together are intended to assess the interest of all potential Users in contracting the capacity for the Project before capacity allocation in the new infrastructure takes place.
NGGTS	shall mean the National Natural Gas Transmission System of Greece, operated by DESFA S.A.
Non-Binding Phase	shall mean the phase of the Market Test where Interested Parties are invited by Elpedison to submit non-binding demand indications for the Regasification Capacity.
Non-Binding Phase Guidelines	shall mean the guidelines for the Non-Binding Phase of the Market Test issued by the Authority (this document).
Regasification Capacity	shall mean the future capacity in the Project to deliver the specified services and products to Users, approximately equal to 153.000 MWh/day, which will be delivered to the Gas Delivery Point at an operating pressure to be agreed upon by the interconnected TSO and Elpedison
Terminal Use Agreement	shall mean the agreement to be entered into between Elpedison and a User in connection with the use of the Project, committing the parties on a long-term ship-or-pay basis upon final investment decision by Elpedison.
Thessaloniki FSRU / Project	shall mean the project entailing: <ul style="list-style-type: none"> • An FSRU and an FSU permanently moored in the Thermaikos Gulf offshore Thessaloniki • Breasting, mooring and platform facilities • Offshore and onshore pipeline facilities • Metering facilities
Users	shall mean the future users who have been allocated Regasification Capacity at the Thessaloniki FSRU.

1. SUBJECT MATTER AND SCOPE

- 1.1 According to Article 36 par. 6 of the Gas Directive, following an Exemption Application, the Authority decides upon the rules and mechanisms for the allocation of Regasification Capacity for the Project. The rules require a market test to be implemented.
- 1.2 The Market Test for the Project is structured into two phases:
 - (i) Non-Binding Phase, where Interested Parties express their interest in contracting Regasification Capacity in the Project.
 - (ii) Depending on the outcome of the Non-Binding Phase, a Binding Phase where Interested Parties submit binding commitments in contracting Regasification Capacity in the Project.
- 1.3 The Market Test is concluded upon the signature, by Elpedison and Interested Parties, of the Terminal Use Agreement(s).
- 1.4 In the Non-Binding Phase, all Interested Parties are invited to express their interest, pursuant to these Guidelines, in contracting Regasification Capacity in the Project and are asked to submit data and information in order for the Authority to assess the criteria set out in Article 36 par. 1 of the Gas Directive. The Non-Binding Phase neither binds Interested Parties to book the Regasification Capacity for which they have expressed their interest in, nor does it bind Elpedison to take the FID for the Project or offer such Regasification Capacity.
- 1.5 In any Binding Phase, potential Users will be asked to submit binding requests for contracting Regasification Capacity in the Project, in accordance with the Binding Phase Guidelines issued by the Authority. Elpedison will allocate Regasification Capacity in the Project according to the Binding Phase Guidelines.
- 1.6 The Non-Binding Phase Guidelines presented in this document provide the general framework and procedure for the Non-Binding Phase of the Market Test.

2. MARKET TESTING PROCEDURE

- 2.1 Elpedison shall submit to the Authority the Non-Binding Phase Invitation Letter described in Article 3 within 5 (five) Business Days after the notification of the approval of the present Guidelines by the Authority.
- 2.2 The Authority will assess and approve the Non-Binding Phase Invitation Letter. In particular, the Authority will review the Non-Binding Phase Invitation Letter with a view to ensuring that the procedures for performing the Non-Binding Phase of the Market Test are open, non-discriminatory, transparent and in accordance with EU and Greek legislation as well as the present Guidelines.
- 2.3 The Market Testing procedure will be conducted by Elpedison who is responsible for the proper conduct of the proceedings as a result of the approval of the Authority.
- 2.4 After the Non-Binding Phase has been completed, the Authority, taking also into consideration the report referred to in Article 5 below, may request Elpedison to perform the Binding Phase of the Market Test prior to any assessment of the Exemption Application. A positive opinion upon granting the exemption may be conditional on the obligation on Elpedison to offer part or the whole of the capacity requested in the Non-Binding phase in the Binding phase and to build it if allocated, in so far as it is technically and economically feasible to do so.

After the Non-Binding Phase has been completed, the Authority, taking also into consideration the report referred to in Article 5 below, shall proceed alternatively with the following:

- (a) If no interested parties, other than Elpedison's Shareholders, have participated in the Non-Binding Phase, the Authority, shall request Elpedison to refine its Exemption Application taking

into account the Non-Binding Market Test results. Following the receipt of the refined Exemption Application, the Authority will assess if the criteria set by Article 36.1 of the Directive are fulfilled and if so, they will proceed with the evaluation of the Exemption Application.

- (b) In forming their opinion and according to Article 36.6 of the Directive, the Authority will evaluate the need to impose additional conditions on the exemption, related indicatively to the duration of the exemption and to any additional conditions for ensuring non-discriminatory access to the infrastructure. In this case, the Binding Phase of the Market Test shall be carried after the issuance of the Exemption Decision. Eligible for participation in the Binding phase, are all stakeholders, independent of whether or not they participated in the Non-Binding phase.
- 2.5 If interested parties other than Elpedison's Shareholders have participated in the Non-Binding Phase and expressed interest in reserving long term capacity products at the Thessaloniki FSRU, the Authority shall request Elpedison to perform the Binding Phase of the Market Test prior to any assessment of the Exemption Application and/or any request for its refinement.
- 2.6 In the case that a necessity for carrying out a Binding Phase, arises as outlined in paragraph 2.4(b) above, the Binding Phase Guidelines will be issued by the Authority, upon proposal by Elpedison, in line with the principles of the present Guidelines. The Binding Phase Guidelines will include rules for capacity allocation, products, tariffs and duration of contracts.
- 2.7 All Interested Parties may participate in the Market Test
- 2.8 In respect of any Binding Phase of the Market Test:
- Any Regasification Capacity to be allocated as part of the Binding Phase shall be allocated through transparent and non-discriminatory auctions;
 - Tariffs applied to users of the Regasification Capacity under the Binding Phase shall be cost-reflective and non-discriminatory, and will be determined in order to ensure the Project's financial viability; and
 - Regasification Capacity shall be allocated under *use-or-pay* conditions.
- 2.9 As a general principle, all Regasification Capacity that is not allocated after the Binding Phase of the Market Test will be allocated by Elpedison via transparent, competitive and non-discriminatory procedures as per the provision of par. 6 of article 36 of the Gas Directive.

3. NON-BINDING PHASE INVITATION LETTER

- 3.1 The Non-Binding Phase of the Market Test shall begin with the publication of the Non-Binding Phase Invitation Letter for Regasification Capacity allocation by Elpedison. Elpedison shall publish the Non-Binding Phase Invitation Letter after its approval by the Authority pursuant to Article 2.2.
- 3.2 The Non-Binding Phase Invitation Letter shall be available in English language and be sufficiently publicized to attract interest from third parties and allow for their participation, including appropriate media as well as Elpedison's website.
- 3.3 The Non-Binding Phase Invitation Letter shall provide general information on the Project and the services which are being proposed by Elpedison. Information made available to Interested Parties shall include:
- (a) The basic elements of the Project design
 - (b) The estimated Commercial Operation Date (COD)
 - (c) A detailed description of the proposed connection points
 - (d) A description of the products and services proposed
 - (e) Procedures for participation in the Non-Binding Phase of the Market Test, including:
 - (i) Registration forms and eligibility criteria

- (ii) Standard forms and information required for the submission of non-binding demand indications
- (iii) Timeline for the Non-Binding Phase of the Market Test
- (iv) Legal terms and conditions, including exclusion principles and notification procedures in case of rejection of the application from any Interested Party
- (v) Terms related to treatment of confidential information by Elpedison
- (vi) Fees for the participation to the Non-Binding Phase of the Market Test, if applicable

4. PARTICIPATION IN THE NON-BINDING PHASE OF THE MARKET TEST

4.1 When expressing their interest, Interested Parties should indicate at least:

- (a) The products they are interested in; and
- (b) The start date, duration and amount of Regasification Capacity to be reserved for each product.

4.2 Interested Parties shall also be given the possibility to express interest in any additional services, as well as indicate whether the non-binding demand indication is subject to any condition or requires the Interested Party to book capacity with any Transmission System Operator or third party.

5. REPORTING BY ELPEDISON ON THE RESULTS OF THE NON-BINDING PHASE OF THE MARKET TEST

5.1 Within 15 (fifteen) Business Days of completion of the Non-Binding Phase of the Market Test, Elpedison will deliver to the Authority a report on the results of the Non-Binding Phase of the Market Test with specific reference to the implications for the Project.