

Summary of the final proposal for BBL interruptible reverse flow capacity

a) Available capacity and capacity tranches

The available IRF capacity for sale will equal 100% of the sold forward capacity at any particular time. Capacity can be bought in tranches of 30,000 kWh/hour. In addition, it will be possible for participating parties to enter multiple bids or enter a single bid with a quantity that is a multiple of the tranche-size (e.g. 60, 90, 120, etc.).

b) Type of products and frequency of auction process

An overview of the proposed auctions to be organised is as follows:

Type of product ('block')	Amount of capacity available for IRF services ('IRF capacity')	Frequency of auction	Schedule
quarterly	1.080.000 kWh/hour) = 36 tranches = ~6,35% ¹	Every quarter of the calendar year for the quarter ahead	1 st business day of the month preceding the the quarter for which is IRF capacity for sale
monthly	1.080.000 kWh/hour) = 36 tranches = ~6,35% (if the quarterly block is not fully sold, the remaining capacity will be added to this category)	Every month for the month ahead	11 th business day of the month preceding the month for which is IRF capacity for sale
daily	All remaining IRF capacity (and any of the IRF capacity unsold in the quarterly and monthly auctions)	Every week for the days of the following week ²	1 st business day of the week

c) Auction process

The auction will be organised as a single round auction on a pay-as-bid basis.

¹ Based on the current forward flow of approximately 17.000.000 kWh / hour

² Based on the current IT set-up as well as the organisation of the operations of BBL Company it is not possible to organise daily auctions at the moment. BBL Company will however keep this option under review with the intention of implementing a daily-ahead service as soon as reasonably practicable.

d) Interruption

If the reverse flow is interrupted, the shorter capacity blocks will be interrupted first. Within a block, the highest bidder will be interrupted last. In the event of identical bids within the same block the time stamp will determine the priority of interruption. There will be no reimbursement of fees in the event of an interruption.

e) Subscription fee

There will be an annual subscription fee with a maximum of €35,000 which is intended to recover the annual and set up costs incurred by BBL Company in operating the auction process with the initial set up costs being recovered over the first 5 years of the service. If there is over recovery of costs a rebate will be given to each subscriber.

Shippers will have to pay the appropriate subscription fee before participating in any auction. Shippers who subscribe to the auction process during a running auction year³ will pay the maximum yearly subscription. However, any over recovery will be reimbursed on a pro-rata basis among all participating parties.

f) Reserve price

The reserve price for each of the three products offered will be zero.

g) Transparency

BBL Company already publishes on its website sold and available capacities regarding the forward flows. The same will be done for the IRF capacity which will enable market parties to see at all times how much capacity in each of the different product categories has been sold and how much capacity is still available in each tranche or the shorter term tranche following it. After each auction BBL Company will inform each participating party on a bilateral basis of the amount of capacity that it has acquired and its specific place in the interruption order.

h) Entry and exit requirements

It should be noted that it is the responsibility of any party participating in the auction process to make appropriate arrangements with both NGG and GTS in respect of the necessary exit and entry requirements.

³ Here is meant the first twelve months after introducing the IRF services. For example, if the auctioning of IRF services is launched on Friday 1st of October 2010 participating parties have to subscribe until October 2011. Next running auction year in this example will be October 2011-October 2012.