

**Gas transmission capacity auction of Magyar Gáz Tranzit Ltd.
regarding the firm bundled capacity products
for the 2017 February gas month**

We kindly inform you that, Magyar Gáz Tranzit Ltd. (hereinafter referred to as MGT) has published on its website (www.gaztranzit.hu) and on RBP Portal its 2017 February, monthly bundled, firm capacity auction for the Balassagyarmat SK>HU cross-border interconnection point, as an entry point according to the following:

Date of capacity auction:

16th of January 2017 08:00 UTC (winter period), 09:00 CET (Hungary)

Product:

Interconnection point name and code: 21Z000000000358C Balassagyarmat EUSTREAM - SK/Balassagyarmat MGT - HU	
Offered firm monthly capacity at Balassagyarmat SK>HU cross-border interconnection point as entry point	5 290 208 kWh/hour (GCV 25°C/0°C)
Contract periods	1 st of February 2017 – 28 th of February 2017
Type of transmission capacity	firm, bundled

Adjacent Transmission System Operator is: eustream a.s. (Slovakia)

The capacity auction will take place on RBP (Regional Booking Platform): <https://rbp.eu/>

Tariff:

The Reserve Price (HUF/kWh/h) is calculated in accordance with the applicable Regulations - 8/2016 (X.13.), 11/2016 (XI.14.), 13/2016 (XII.20.) and 14/2016 (XII.20.) of the Hungarian Energy and Public Utility Regulatory Authority considering the monthly and seasonal factors (GCV 25/0).

Based on the Commission Regulation (EU) No. 984/2013 of 14 October 2013. (CAM NC) the Ascending Clock auctions shall enable System Users to place volume bids to requested quantities against escalating prices, which are defined price steps, announced in consecutive bidding rounds, starting at the Reserve Price considering the monthly and seasonal factors. System Users with a winning bid in the auction are obliged to pay the capacity fee related to the obtained capacity and the eventual auction extra charge calculated on the basis of the underlying price step. In case of interruptible capacity the Reserve Price is equal with transmission capacity fee of non-interruptible capacity.

Conditions of applications of capacity auction:

The capacity auction will take place on RBP (Regional Booking Platform) of FGSZ Ltd:
<https://rbp.eu/>

The System User shall be entitled to participate in the auction, if

1. has completed the registration at the RBP Portal.
2. has submitted the copy of the full or limited trading license granted by the Hungarian Energy and Public Utility Regulatory Authority to MGT.
3. has filled in and send back the officially signed Capacity Auction statement:
 - via e-mail: comdisp@gaztranzit.hu
 - via mail: Magyar Gáz Tranzit ZRt. H-1031 Budapest, Záhony u. 7/B.
4. has provided auction financial guarantee to MGT no later than 12:00 CET of the 2nd working days before the beginning of auction.

After the winning of the capacity auction:

System User shall undertake to conclude officially signed Monthly Capacity Booking and Natural Gas delivery Contract with MGT within 5 days after the closing of Capacity Auction related to allocated and won capacities.

According to the Government Decree 19/2009 (I. 30.) implementing the Act XL of 2008 on Gas Supply (GET Vhr.), no financial obligation and no capacity booking is required at Vecsés connection point, but requestors must have Network Usage Framework Contract with FGSZ for transmission to the adjacent FGSZ system.

Bidders shall undertake to conclude the needed capacity booking and natural gas transmission contracts with MGT, eustream and FGSZ in case of an accepted capacity request. In default of it MGT will not be able to fulfil the gas delivery.

Requestor shall submit its shipper pair by the adjacent System Operators no later than 5th working days before the first requested gas day. In default of it MGT is not able to accept the nominations. This translation is not an authenticated translation of the Hungarian call, the original call is the Hungarian version.

In case of any questions please do not hesitate to contact our colleagues via e-mail: comdisp@gaztranzit.hu