



## Storage

# AGREEMENT ON FIRM GAS STORAGE ON AN ANNUAL BASIS

Entered into pursuant to Act No. 458/2000, the Energy Act,  
and Act No. 513/1991, the Commercial Code

### **SPP Storage, s.r.o.**

Having its registered office at Sokolovská 651/136a, 186 00 Praha 8

Company No. [IČ]: 248 22 191

Bank: [●]

Incorporated in the Commercial Register maintained by the Municipal Court in Prague,  
Section C, File 177515

Acting through: [●]

(Hereinafter referred to as the “Storage System Operator” or “SSO”)

and

[●]

Having its registered office at [●]

Company No. [IČ]: [●]

Bank: [●]

[●]

Acting through: [●]

(Hereinafter referred to as “the Storage Customer”)

## I

### **Introductory provisions**

- 1.1 The SSO represents that it is a company duly established under Czech law, the core business of which is, primarily, gas storage.
- 1.2 The SSO also represents that it operates a gas storage facility at Dolní Bojanovice (hereinafter referred to as “Storage Facility”) and that it has a valid permission to store gas issued by the Energy Regulatory Office under licence number 251118618.
- 1.3 The Storage Customer represents that it is a company duly established under [●] law, the core business of which is, primarily, [●].
- 1.4 Both the SSO and Storage Customer represent that they are authorised to enter into this Agreement and to accept the rights and obligations hereunder to the full extent.
- 1.5 The Contracting Parties represent that they enter into this Agreement on the basis of the results of the auction on [●], called and organised by the SSO in accordance with the terms and conditions of the Storage System Operator’s Code.

- 1.6 Unless specified otherwise in this Agreement, all the capitalised terms and definitions used herein have the same meaning as the definitions in the Storage System Operator's Code, which forms an integral part hereof (hereinafter referred to as "the Code") and the content of which is binding on the Contracting Parties.
- 1.7 The Storage Customer represents that it is familiar with the SSO's Code and consents to the provisions thereof.
- 1.8 In the event of amendments to the Code, the wording of the Code effective at the time when the respective performance takes place or ought to take place hereunder shall be relevant for the exercise of the rights and the performance of the obligations of the Contracting Parties hereunder. In the event of a discrepancy between the provisions of the Code and this Agreement, the provisions of the Code shall take precedence. The SSO shall notify the Storage Customer of amendments to the Code via electronic mail at the address specified in clause 7.3 hereof, and shall also publish amendments to the Code on its website at [www.sppstorage.cz](http://www.sppstorage.cz).

## II

### Subject matter of the Agreement

- 2.1 The subject matter of this Agreement is the SSO's obligation to provide gas storage services to the Storage Customer, i.e., the obligation to accept, store and deliver gas to the Storage Customer under the terms and conditions hereof, and the Storage Customer's obligation to pay the agreed price for storage to the SSO and to perform other duties laid down herein.
- 2.2 The SSO agrees to provide the following storage capacity to the Storage Customer under the terms of this Agreement:
- |                                    |                |
|------------------------------------|----------------|
| Maximum Daily Withdrawal Capacity: | kWh/day        |
| Maximum Daily Injection Capacity:  | kWh/day        |
| Operating Volume                   | m <sup>3</sup> |
- 2.3 Appendix 1 to this Agreement contains the Injection Curve and the Withdrawal Curve, in accordance with which the above storage capacity, which depends on the current level of the natural gas stores in the Storage Facility, shall be adjusted.
- 2.4 The SSO shall provide the Storage Customer with storage capacity under this Agreement for a period from [●] to [●].

## III

### Price for gas storage

- 3.1 On the basis of the results of the auction defined in clause 1.5 above, the annual contract price for the storage of the Storage Customer's gas amounts to CZK [●]/m<sup>3</sup> of the Operating Volume.
- 3.2 The Storage Customer acknowledges that the price for gas storage under clause 3.1 above applies to the storage period of [●].
- 3.3 The storage price for the subsequent storage years shall be calculated as follows:

$$C_r = C_{r-1} * (0.85 * IC + 0.15 * IN)$$

where

**Cr** is the storage price in the current storage year

**C<sub>r-1</sub>** is the storage price applicable in the storage year immediately preceding the current storage year

**IC** is the Producer Price Index for April of the current storage year as published by the Czech Statistical Office

**IN** is the index of increase in average monthly wage in industry for the first to fourth quarters of the calendar year preceding the year in which the new price is calculated, as published by the Czech Statistical Office.

- 3.4 The SSO shall bill the Storage Customer for VAT on the agreed storage price pursuant to the currently applicable Czech legislation.

#### **IV**

#### **Payment terms**

- 4.1 The Contracting Parties agree that the Storage Customer shall pay the SSO the agreed price for storage, including all the taxes and charges required by the applicable legal regulations, via credit transfer to the SSO's bank account specified in the heading of this Agreement. The Storage Customer shall pay the agreed price against a 'tax document' (invoice) issued by the SSO, which shall be issued for 1/12 of the price for storage under Article III above.
- 4.2 The SSO shall issue the 'tax document' (invoice) for the respective gas month and send it to the Storage Customer at the agreed electronic mail address and also by post no later than by the 14th calendar day of the calendar month following the respective gas month. The price for gas storage so billed shall be payable by the 28th day of the calendar month in which the 'tax document' (invoice) was issued. The day on which the total payable amount is credited to the SSO's bank account shall be regarded as the day on which the Storage Customer met its obligation to pay the agreed price for gas storage to the SSO.
- 4.3 In the event of delay in the meeting of its financial obligations, the debtor shall pay the creditor late charges of 0.02% of the amount owed for each day of delay.
- 4.4 Other provisions on payment obligations are set out in the Code.

#### **V**

#### **Procedure for gas not withdrawn**

- 5.1 If the Storage Customer's gas is not withdrawn in full under this Agreement, the SSO shall conduct a controlled sale of the remaining stored gas on the organised day-ahead gas market, depending on the available withdrawal capacity.
- 5.2 The SSO shall remit to the Storage Customer's bank account specified in the heading of this Agreement, the proceeds from the sale of the remaining stored gas, net of the costs reasonably and directly incurred in the sale of this gas, within 15 calendar days from the end of the sale of such remaining stored gas.

- 5.3 By signing this Agreement, the Storage Customer authorises the SSO to sell the remaining gas stored and, following the end of the storage period under clause 2.4 above, or, as the case may be, following the end of effect of this Agreement, not withdrawn. The other terms and conditions of the sale of gas not withdrawn shall be governed by the Gas Market Rules and other applicable legislation.

## **VI Confidentiality obligation**

- 6.1 The Contracting Parties agree to maintain absolute confidentiality in respect of all facts concerning the agreed price-related and payment terms and conditions hereof, which they have received in relation to the other Contracting Party in connection with the entering into and performance under this Agreement. The Contracting Parties acknowledge that this obligation shall survive this Agreement. In the event of a breach of the confidentiality obligation, the breaching Contracting Party shall compensate the other Contracting Party for the damage so caused.

## **VII Final provisions**

- 7.1 This Agreement has been entered into for a fixed term from .... to ....
- 7.2 The SSO acknowledges that the Storage Customer shall have the right to rescind this Agreement if the SSO fails to perform its contractual obligations or if the Storage Customer disagrees with a proposed change to the contract terms and conditions.
- 7.3 All notices hereunder shall be in writing. Notices shall be delivered to the other Contracting Party at all times either a) by registered post or b) using a courier service to the addresses specified below. The below-specified addresses shall remain applicable until any of the Contracting Parties notifies the other Contracting Party in writing of a different address applicable to the delivery of written notices hereunder, using the procedure described in this Article. At the same time, all notices shall also be delivered to the other Contracting Party at the electronic mail addresses specified below:

### **For the SSO:**

SPP Storage s.r.o.

Having its registered office at Sokolovská 651/136a, 186 00 Praha 8

For the attention of: [●]

E-mail: [●]

### **For the Customer:**

[●]

Having its registered office at [●]

For the attention of: [●]

E-mail: [●]

- 7.4 This Agreement may only be changed or amended by written addenda hereto, subject to both Contracting Parties' agreement.
- 7.5 This Agreement shall be governed by Czech law.
- 7.6 This Agreement shall become valid and come into effect on the day on which all Contracting Parties attach their signatures hereto.

- 7.7 The invalidity of individual provisions hereof shall be without prejudice to the validity and effect of the other provisions hereof and the Agreement as a whole.
- 7.8 The two Contracting Parties agree that any disputes arising from or in connection with this Agreement shall be adjudicated by the competent ordinary courts.
- 7.9 This Agreement has been written in two original counterparts, providing that each of the Contracting Parties shall receive one original.
- 7.10 The Contracting Parties represent that they have thoroughly studied the text hereof and understood its content, and that it expresses their free and solemn will free of any errors; in witness whereof they attach their signatures.

....., on .....

....., on .....

.....  
**Storage System Operator**

.....  
**Storage Customer**