

## **REQUEST FOR A CONTRACT**

The potential user of the transmission system in order to be entitled to make use of the transmission system operated by AB Amber Grid and of the gas transmission services must to conclude a natural gas transmission service contract with AB Amber Grid. Gas transmission without a contract or in violation of the contract terms are prohibited by law.

In order to conclude a natural gas transmission contract, a prospective system user shall well in advance, no later than 2 months before booking capacity for the first time, submit his request for the Transmission Contract. After the submission of the request, or changes in the data or documents of the applicant, the applicant within a reasonable period, but no longer than within 3 working days, shall notify the TSO thereof.

AB Amber Grid shall consider data and documents specified in the request (their adequacy, validity, accuracy), consider the request and, within 14 calendar days of the receipt of the applicant's request:

- offer to conclude a Transmission Contract;
- or request to specify / supplement the information or documents referred to in the request by providing explanations and justification for such a request;
- after the identification of risks, shall request the potential users of the transmission system to provide the latest financial statements;
- or request to submit security measures for the discharge fulfilment of obligations if the System User does not have a long-term foreign currency credit rating which is equal or higher than Baa1 according to Moody's agency, or BBB+ - according to Standard & Poor's agency, or BBB+ - according to Fitch Ratings agency, or there are any other circumstances (signs of insolvency in respect of other suppliers, other factors leading to financial risks), which reasonably suggest that a System User cannot fulfill its obligations under the contract and / or the Access Rules.
- or refuse to grant the request for a Transmission Contract.

## **TYPES OF CONTRACTS**

With system users concluded natural gas transmission service contract ([Standard Natural Gas Transmission Service Contract.pdf](#)) shall be an open term contract. After the conclusion of the Transmission Contract, a System User shall be entitled to book capacity, transport gas through the transmission system and perform other actions related to the use of services provided by the Transmission System Operator.

As regards natural gas supply undertakings selling natural gas at Virtual Trading Point of the natural gas transmission system under bilateral sales contracts and/or on the natural gas exchange, with such undertakings the Transmission System Operator shall conclude a [Standard Natural Gas Balancing Contract.pdf](#) (the document is available in Lithuanian), establishing the gas transmission system balancing terms.

The rights and obligations of system users shall be as provided for by their respective contracts, by the AB Amber Grid Rules for Access to the Natural Gas Transmission System and by the AB Amber Grid Natural Gas Transmission System Balancing Rules . Where there are any natural gas transmission services- related complaints and/ or requests, the Transmission System Operator shall examine any such complaints and/ or requests and issue written responses thereto within 30 calendar days.

## **TRANSMISSION SERVICES AND CAPACITY PRODUCTS**

The TSO offers long-term, short-term and interruptible services at all entry and exit points of the system. That is, a long-term capacity from 1-year inclusive, and short-term capacity of up to 1-year, firm and interruptible capacity. The Transmission System Operator shall offer interruptible capacities to the system user only in cases when it runs out of available uninterruptible capacities. The TSO offers the following standard capacity products at all entry and exit points:

- Yearly;
- Quarterly;
- Monthly;
- Daily;
- Within-day.

## **REFUSAL TO CONCLUDE A CONTRACT**

The Transmission System Operator shall be entitled to refuse to conclude a contract in the following cases:

- the deadline for submission of requests is missed;
- the request does not contain all the required information, or it turns out to be false;
- there are no technical possibilities for transmission services;
- the person who submitted the request failed to pay for transmission services previously provided, if they have been provided;
- the consumer's gas system connected to the transmission system fails to meet technical requirements set out in legislation;
- Where upon a request by the Transmission System Operator, the system fails to submit a security for a proper discharge of future duties under the gas transmission service contract or fails to provide other settlement guarantees as specified;
- Where a gas transmission service contract may not be possibly concluded due to circumstances beyond the Transmission System Operator's control;
- In other cases provided for by applicable legislation.

## **PAYMENT FOR SERVICES**

Gas system users shall make their payments for natural gas volumes transmitted and for the gas transmission capacities booked for the reporting period according to VAT invoices. Payments shall be made by the deadline as provided for by the AB Amber Grid Rules for Access to the Natural Gas Transmission System and by the AB Amber Grid Natural Gas Transmission System Balancing Rules.

Failure to duly settle the invoices by the deadline as specified in the contract shall result in the accrual of payment penalty. Late payment penalties shall be calculated on a monthly basis. The TSO shall have the right to request to submit appropriate security measures for the fulfilment under the following circumstances:

- If the TSO identifies changed (increased) risk due to the imbalances of a System User; and / or
- If the TSO identifies changed (increased) risk due to solvency of a System User; and / or
- A System User under the terms and conditions set out in the transmission or balancing service contract fails or delays to fulfill its obligations to pay for the rendered transmission and/or balancing services; and / or
- A System User violates the basic conditions of the contracts and / or the Access Rules; and / or
- Bankruptcy, restructuring, separation or dissolution proceedings are initiated in respect of the System User; and / or

- There are other circumstances (worsened financial situation, signs of insolvency in respect of other suppliers, other factors leading financial risks), which reasonably suggest that a System User can fail to fulfill its obligations under the contract and / or the Access Rules.

In the event of a system user's failure to timely settle his account for natural gas transmission services, AB Amber Grid, upon a prior notice, shall be entitled to limit or cut off gas transmission.

Due to the natural gas transmission services please e-mail [pardavimai@ambergrid.lt](mailto:pardavimai@ambergrid.lt).