

**Optimization Agreement
for SBU Capacity at the
Gas Storage Bergermeer Facility**

DRAFT

THIS AGREEMENT (this “**Agreement**”) is made on [**]

BETWEEN:

- (1) **TAQA Gas Storage B.V.**, a company incorporated in The Netherlands and registered at the trade registry with number 27154985 whose principal place of business is at Kruseman van Eltenweg 1, 1717 BC Alkmaar, The Netherlands, acting as commercial operator of the GSB Facility (“**GSB**”); and
- (2) [**company name**], a company incorporated in [*] and registered at the trade registry with number [*] whose registered address is at [*] (the “**Customer**”),

hereinafter individually referred to as a “**Party**”, and together referred to as the “**Parties**”.

WHEREAS:

- (A) GSB and the Customer are party to a Standard Storage Services Agreement in respect of the GSB Facility (the “**SSSA**”);
- (B) The Customer has purchased Capacity from GSB and GSB has sold such Capacity to the Customer, it being understood that the Customer will optimize and monetize the value of such Capacity and make the related payments to GSB as set out in this Agreement.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 All capitalised terms used and not otherwise defined in this Agreement shall have the meanings ascribed to them in the SSSA.
- 1.2 In this Agreement:
 - 1.2.1 unless the context otherwise requires, a reference to a particular Article or Schedule shall be a reference to that article or schedule in this Agreement;
 - 1.2.2 the word “including” shall be construed without limitation; and
 - 1.2.3 words in the singular may be interpreted as including the plural and vice versa.
- 1.3 The Schedules contained in this Agreement shall form an integral part of this Agreement.

2. SCOPE

- 2.1 Subject to the terms and conditions of this Agreement, the Customer has purchased from GSB and GSB has sold to the Customer standard bundled units of Capacity at the GSB Facility for a term and in the number as specified in Schedule A (the “**OA SBUs**”). This Agreement serves as a Primary Capacity Agreement under the SSSA for the OA SBUs and forms part of the SSSA, notwithstanding any format requirements as specified thereunder.
- 2.2 The Customer shall:
 - 2.2.1 be solely responsible for the optimization and monetization of the value of the OA SBUs, whereby any trading, hedging or optimization strategy applied in connection with the OA SBUs will be at the Customer’s sole discretion; and
 - 2.2.2 make all efforts to maximize the Additional Value (as defined in Article 3.3 below) and refrain from making any deals that would reduce the Additional Value, such as any deals with its Affiliates that it would not have made with a third party under similar circumstances.

- 2.3 The Customer warrants that any trades related to the OA SBUs which it has entered into with its Affiliates are based on fair and reasonable terms that are no more or less favourable than as could reasonably be expected to be obtained in a comparable arm's length transaction with a third party. Upon GSB's first request, the Customer shall provide GSB with a copy of its internal transfer pricing policies.
- 2.4 The SBU Capacity Fee for the OA SBUs shall be zero euro (€0,00) but, in addition to the payments due under article 12 of the SSSA, the Customer shall be liable to make the payments as set out in this Agreement.
- 2.5 In respect of the OA SBUs, the calculation of "Outage LD" under the SSSA is hereby amended so that each reference to the term "Spread" in articles 10.4.1 and 10.4.2 of the SSSA shall be replaced with a reference to the Floor as determined pursuant to Article 3.2.

3. OA SBU FEES

- 3.1 The Customer shall pay to GSB an intrinsic value component (the "**Floor**") per SBU and **[*]** percent (**[*]**%) of the Additional Value (the "**GSB Share**") per SBU. These amounts will be determined on the basis of the total realized value of OA SBUs as set out in this Article 3.
- 3.2 The Floor shall be the TTF Winter 2023 minus the TTF Day-Ahead ("**W23/DA spread**") minus cost for one storage cycle of the Injection Fee and Withdrawal Fee for Storage Year 2023 (being 2.176 Euro/MWh) whereby:
- 3.2.1 "**TTF Winter 23**" means the arithmetic average of the bid and offer prices of the TTF Price Assessment Winter 23, as published in the ICIS European Spot Gas Markets report, in Euro/MWh;
- 3.2.2 "**TTF Day-Ahead**" means the arithmetic average of the bid and offer prices of the TTF Price Assessment Day-Ahead or Weekend, as published in the ICIS European Spot Gas Markets report, in Euro/MWh;
- 3.2.3 "**Calculation Period**" means each calendar day from and including 31 March 2023 up to and including 29 September 2023 (i.e. the first pricing points are the TTF Day-Ahead and TTF Winter 23 prices published on 31 March 2023); and
- 3.2.4 "**Calculation Method**" means the arithmetic average of the W23/DA Spread during the Calculation Period, rounded to three (3) decimal places, minus 2.176 Euro/MWh. During the weekends the TTF Weekend and TTF Winter 23 price published on the Friday before are used. If for any day the W23/DA Spread minus 2.176 Euro/MWh results in a negative value (<0 Euro/MWh) then such pricing point will be included as zero (0) Euro/MWh in the arithmetic average calculation of the Floor.
- 3.3 The "**Additional Value**" (Euro/MWh) shall be the Realized Value, minus the Optimization Costs, minus the Floor; whereby:
- 3.3.1 "**Realized Value**" means the total value realized by the Customer with the OA SBUs, comprising of all additional optimization values (including values realized from re-dispatches, within-day trades and portfolio effects which can be captured) and any Outage LDs; divided by the number of the OA SBUs;
- 3.3.2 "**Optimization Costs**" means the total actual costs incurred by the Customer in respect of the OA SBUs (such as Injection Fees and Withdrawal Fees, additional costs for re-hedging, replacement costs for storage flexibility in case of outages, or imbalance charges, as the case may be); divided by the number of the OA SBUs;
- 3.3.3 any financing costs incurred by the Customer in respect of the OA SBUs may be included in the Optimization Costs as a Euro/MWh number calculated as the arithmetic average of TTF Day-Ahead during the Calculation Period * **[0.0xxx]**; and

3.3.4 the Additional Value shall be determined at the end of the Term (as defined in Schedule A) and cannot be a negative value.

3.4 For the avoidance of doubt, the Customer shall pay all incurred cost with regard to the optimization and monetization of the OA SBUs, but such costs may be included in the calculation of the Additional Value under Article 3.3.

4. TRACKING, REPORTING AND AUDIT

4.1 The Customer shall have the instruments in place to determine the Additional Value as accurately as practically possible and shall carry out the tracking, calculating and reporting of all relevant trades, values, costs, profits and losses in connection with the optimization and monetization of the OA SBUs as set out in this Agreement in a diligent and transparent manner.

4.2 The Customer shall set up and maintain a ring-fenced book structure wherein all relevant trades and costs related to the OA SBUs will be booked (the "**OA Book**"). Each trade in the OA Book shall be distinguished as an outright or indexed trade and indicate the relevant execution date and time to the minute. The Customer shall within six (6) Business Days after the last day of each calendar month report to GSB all trades and resulting profits and losses made to-date under this Agreement, using the template in Schedule B.

4.3 In order to verify whether the Customer has acted with reasonableness and fairness (*redelijkheid en billijkheid*) in the performance of this Agreement, the Customer shall permit GSB to select an external audit firm to audit the books, account records and other relevant documents of the Customer as may be relating to trades and costs related to the OA SBUs and, to the extent relevant for the purpose, other gas trades not included in the OA Book. An audit may be performed at all reasonable times during regular business hours, provided that the Customer shall be given written notice of intention to audit at least ten (10) Business Days prior to the proposed date of such audit. The Customer shall cooperate with any such audit and be fully transparent, provided that any information obtained in the course of an audit will be treated in compliance with the Dutch Trade Secrets Act (*Wet Bescherming Bedrijfsgeheimen*). All costs in connection with any audit carried out hereunder shall be for GSB's account. The right of request to audit under this Article 4.3 shall terminate two (2) Gas Storage Years after the end of the Term (as defined in Schedule A). Any audit performed or any failure or delay in the exercise of the right to audit hereunder shall be without prejudice to any other rights and remedies available to GSB.

5. INVOICING AND PAYMENT

5.1 Unless agreed otherwise in this Agreement, invoicing and payment shall be as per the SSSA.

5.2 The Customer shall pay the Floor in six (6) installments. After respectively the months of April through September 2023, the Customer shall pay the Floor for the pertinent month times the number of calendar days in the pertinent month, divided by the number of days in the Calculation Period.

5.3 Within two (2) weeks from the end of the Term (as defined in Schedule A), the Customer shall provide GSB with sufficiently detailed final settlement information to determine the euro amount of the GSB Share. The Customer shall pay this amount with the April 2024 invoice (sent in May 2024).

6. LAW AND JURISDICTION

6.1 As per the SSSA.

THUS AGREED on the date first above written.

GSB

By: its director, being TAQA Energy B.V.

By:

Customer

By:

Title:

SCHEDULE A CAPACITY

Term

Start: 01 April 2023, 06:00 hrs (LET) (start of the Hour)

End: 01 April 2024, 06:00 hrs (LET) (start of the Hour)

Capacity

Number of SBU: 1,500,000

A SBU consists of:

Injection Capacity: 0.427 kW

Space: 1000 kWh

Withdrawal Capacity: 0.579 kW

“**SBU**” means standard bundled units of Capacity at the GSB Facility.

SCHEDULE B

MONTHLY REPORTING REQUIREMENTS

All the reporting requirements below are applicable to the OA SBUs only.

A										
Full list of trades (all buys + sells) including all of the following information:										
Trade Date	Trade Time	Period Start Date	Period End Date	Buy / Sell	Size	Indexed / Fixed	Volume	Price	Notional	Cashflow
<i>Date</i>	<i>Time</i>	<i>Date</i>	<i>Date</i>		<i>MW</i>		<i>MWh</i>	<i>Euro/MWh</i>	<i>Euro</i>	<i>Euro</i>
B		Total Bought Volumes								MWh
C		Total Sold Volumes								MWh
D		Total Buy Notional value								Euro
E		Total Sell Notional value								Euro
F		Realized Value								Euro
G		Paid Injection Fees								Euro
H		Paid Withdrawal Fees								Euro
I		Projected Injection Fees								Euro
J		Projected Withdrawal Fees								Euro
K		Floor value to date								Euro
L		Open position (if any)								MWh
M		Value of open position (if any)								Euro
N		Financing cost to date (if applicable - quoted separately)								Euro
O		Total Additional Value (F-G-H-I-J-K-M-N)								Euro
P		Additional Value to date (GSB Share)								Euro