



**PUBLIC POWER CORPORATION S.A.**

**REQUEST FOR PROPOSALS FOR PIPELINE NATURAL GAS SUPPLY  
FOR YEAR 2020**

**INQUIRY No: DNPSDP-5/2019**

Athens, 02.12.2019

## **CONTENTS**

- 1.** REQUEST FOR PROPOSALS
- 2.** BIDDING TERMS AND PROCEDURES
- 3.** DRAFT CONTRACT



**PUBLIC POWER CORPORATION S.A.**

New Products & Services Development & Promotion Department  
7, 3rd Septemvriou Street  
104 32 Athens, GREECE

**INQUIRY N°: DNPSDP –5/2019**

**SUBJECT: "PROPOSALS FOR PIPELINE NATURAL GAS SUPPLY FOR YEAR 2020"**

**Document #1**

**REQUEST FOR PROPOSALS**

**1. OVERVIEW**

Public Power Corporation S.A. (PPC S.A.), 30 Chalkokondili Street, Athens, GREECE, the largest power utility in Greece and currently the largest natural gas consumer in the country, using it for power generation, launches an international Request for Proposal (RfP) for the supply of 4.500.000 MWh<sub>th</sub> of pipeline natural gas plus 10 % / minus 20% per cent at PPC's option.

The above quantities shall be supplied over the period 01.01.2020 7:00 Athens local time through 01.01.2021 7:00 Athens local time, which shall constitute the period of duration of the contract as regards the supply of pipeline natural gas to PPC.

All Participants must submit their offer for the delivery of pipeline natural gas at the Sidirokastro or/and Kipi entry point of Hellenic Gas Transmission System Operator S.A. (DESFA) according to article 3.2 of Document 1.

The proposals submitted will be evaluated, as it is defined in Article 2 paragraph 2.3.3 of Document No 2 ("Bidding Terms and Procedures").

The Department responsible for all issues related to the present Request for Proposals is the "New Products & Services Development & Promotion Department" of PPC S.A. (7, 3rd Septemvriou Street, 10432, Athens).

For further information potential participants are kindly requested to contact:

- Mr. I. Lysaridis, Tel. +30-210-5283608, [i.lysaridis@dei.com.gr](mailto:i.lysaridis@dei.com.gr)
- Mr. S. Kopelias Tel. +30-210-5283605, [s.kopelias@dei.com.gr](mailto:s.kopelias@dei.com.gr)
- Mr. I. Mavroeidis, Tel. +30-210-5283603, [i.mavroeidis@dei.com.gr](mailto:i.mavroeidis@dei.com.gr)

**The RfP shall take place through the electronic platform of Cosmo-One.**

For gaining access to the Cosmo-One electronic platform for the RfP all companies interested in participating are kindly requested to contact:

- Mr. Christos Rakovitis, Tel.: +30-210-2723835 / Mob.: +30-6937290980.
- Cosmo-One Helpdesk, Tel.: +30-210-2723810.

The electronic procedure shall be carried out in three separate stages:

- Stage 1 - Documentation and Requirements questionnaire. Data and documents are to be submitted within the context of both Stages 1a and 1b.
- Stage 2 - Initial financial Offer (along with the Participation Letter of Guarantee).
- Stage 3 - Best and Final offer.

Detailed description of each of the above stages is included in "Bidding Terms and Procedures" (Document 2) of this RfP.

The electronic platform of Cosmo-One shall be open for the submission of Documentation pertaining to Stage 1a of the RfP from Monday, 02.12.2019, 10:00 a.m. Athens local time (GMT+2) to Monday, 09.12.2019, 15:00 Athens local time (GMT+2).

The opening periods for Stages 1b, 2 and 3 shall be announced by Cosmo-One to all qualifying Bidders through e-mail.

## **2. Eligibility for Participation**

The present Request for Proposals is open to all companies, groups of companies, consortia and joint-ventures, having a track record and experience in the natural gas market as suppliers and/or traders, having concluded and successfully completed within the last three (3) years contracts of total delivered measuring up to at least 4.500.000 MWh<sub>th</sub> of natural gas (pipeline natural gas or LNG).

## **3. Scope of Supply**

### **3.1. Quantity**

The quantity to be supplied shall be 4.500.000 MWh<sub>th</sub> of pipeline natural gas.

The participants are obliged to give offers for at least 2.500.000 MWh<sub>th</sub> under exclusion penalty otherwise. In order to cover the total quantity of 4.500.000 MWh<sub>th</sub> it may be required that only a part of the quantity offered by a bidder should be taken into account, provided that he consents that his quantity will have the same price as the one that corresponds to the entire quantity offered by him.

PPC reserves the right to decrease the hereinabove quantity by 20% (Take or Pay clause, Article 2.2.2 Of Document 3) or to increase by 10%, according to PPC's needs (Article 2.2.3 Of Document 3).

PPC reserves the right to expand the contract/s for one more year requesting the same quantity as the one offered for 2020 with the same contractual terms and pricing formula.

PPC reserves the right to ask the participants to provide documents proving their ability to supply PPC:

- With the offered quantity for 2020 according to the terms of the contract  
**and**
- With the same quantity for 2021 in case PPC activates the option to expand the duration of the contract for one more year.

### **3.2. Prices offered**

Participants have the flexibility to define the supply price formula (SP) **exclusively** from the following:

- as oil-linked and/or gas-linked
- plus the Gross Margin (GM)
- Custom clearance for the import of the gas if any.

**Important notice: The formula given will be one and unique and the same for every variation of Brent or any other product price for the whole duration of the contract.**

**3.2.1.** In case of oil-linked prices the offered prices shall be defined based **exclusively** to one or more of the following indexes **f([Br,HSFO,LSFO,GO]):**

- The arithmetic average of the monthly prices of Brent (Br) in USD/bbl on spot basis as published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)"
- The arithmetic average of the monthly prices of 3,5% Sulfur Heavy Fuel Oil (HSFO) in USD per metric ton as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".
- The arithmetic average of the monthly prices of 1% Sulfur Heavy Fuel Oil (LSFO) in USD per metric ton as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".
- The arithmetic average of the monthly prices of Gasoil (Go) 0.1 in USD per metric ton as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

*The price deriving from the above oil linked formula **f([Br,HSFO,LSFO,GO])** shall be in USD/KWh<sub>th</sub>.*

**3.2.2.** *In case of gas-linked prices, the offered prices shall be defined based **exclusively** on natural gas market index Title Transfer Facility **f(TTF)** in €/KWh<sub>th</sub> as published by "ICIS – HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices".*

**3.2.3.** *In case of prices based on both oil and gas indexes the formula will be :*  
 **$a*f(Br,HSFO,LSFO,GO)+ b*f(TTF)$**

where a and b are respectively the proportion of each index to the price.

In this case the indexes will be defined as following:

- The arithmetic average of the monthly prices of Brent (Br) in USD/bbl on spot basis as published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)"
- The arithmetic average of the monthly prices of 3,5% Sulfur Heavy Fuel Oil (HSFO) in USD per metric ton as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".
- The arithmetic average of the monthly prices of 1% Sulfur Heavy Fuel Oil (LSFO) in USD per metric ton as published by "Platt's Oilgram Price Report"

chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

- The arithmetic average of the monthly prices of Gasoil (Go) 0.1 in USD per metric ton as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".
- Title Transfer Facility (TTF) in €/KWh<sub>th</sub> as published by "ICIS – HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices".

**3.2.4.** *The Gross Margin may be either in USD/KWh<sub>th</sub> or €/KWh<sub>th</sub>.*

### **3.3. Duration of the Contract.**

The delivery and off-take of Natural Gas under the Contract shall take place from 01.01.2020 7:00 until 01.01.2021 7:00 local time.

The Contract shall enter into force on the delivery start date and shall be valid until the date of fulfilment of all Parties' obligations under the Contract.

The duration of the contract may be extended by one more year at PPC's option with the same terms, contractual quantity and pricing formula.

### **3.4. Delivery Terms**

#### **3.4.1. Delivery Point.**

Natural Gas shall be delivered at the Sidirokastro or/and Kipi entry point of Hellenic Gas Transmission System Operator S.A. (DESFA) custom cleared.

Within the contract the Seller must proceed to the relevant booking capacity transfer from the entry point of Sidirokastro and/or Kipi to PPC, under exclusion penalty otherwise.

#### **3.4.2. Flexibility:**

PPC reserves the right to choose a daily contract quantity that can vary from 0-125 % of Average Daily Quantity as elaborated in Article 1 of document No 3 ("Draft Contract"). In this case the contract price will be increased by a flexibility premium equal to 0,00013 €/KWh.



**PUBLIC POWER CORPORATION S.A.**

New Products & Services Development & Promotion Department  
7, 3rd Septemvriou Street  
104 32 Athens, GREECE

**INQUIRY N°: DNPSDP –5/2019**

**SUBJECT: “PROPOSALS FOR PIPELINE NATURAL GAS SUPPLY  
FOR YEAR 2020”**

**Document #2**

**BIDING TERMS AND PROCEDURES**

**1. Parts and Documents of Request for Proposals.**

**1.1.** The present Request for Proposals comprises of all and only of the following Parts (Documents):

- Request for Proposals (Document #1)
- Bidding Terms and Procedures (Document #2)
- Draft Contract (Document 3 of 3)

**2. Electronic Procedure.**

**2.1. General provisions.**

- The Request shall be carried out through the electronic platform of Cosmo-One.
- The whole electronic platform setup of the RfP including questionnaire to be answered, data fields to be filled in, instructions /remarks / comments given on the various screens etc. constitutes integral part of the present RFP.
- All questions included in the electronic platform are to be answered, all data fields to be filled in, as applicable, and all required documents are to be submitted in accordance with the instructions /remarks / comments given on the various screens.
- All documents required within the context of the present RfP shall be submitted in electronic “portable document format” through the electronic platform of Cosmo-One, with the exception of the Participation Letter of Guarantee (Bid Bond), which shall be scanned and uploaded in portable document format through the electronic platform of Cosmo-One along with



the Initial Financial Offer (Stage 2) while the original must be delivered to PPC (7, 3rd Septemvriou Street, 10432 Athens, Greece) at the latest three working days after closure of the electronic platform for Stage 2.

- In case of documents that are required to be duly signed by the Participant's authorized official(s), those will be scanned and uploaded in "portable document format" to the electronic platform.
- Instructions on gaining access to Cosmo-One electronic platform may be found in paragraph 1 of "Request for Proposals" (Document 1).
- PPC reserves the right to ask for further data and/or explanations from the Participants, should such a request be deemed necessary at any stage in the course of the offers evaluation process.
- Proposals may be submitted only in the English/Greek language. Any documents / certificates pertaining to the Supplier's status and/or validation may be submitted either in the English or the Greek language; documents / certificates issued in any other language must be accompanied by a certified translation into the English Language.
- Please note that all data submitted within the context of the present Request for Proposals through the electronic platform of Cosmo-One are accessible to nobody, including Cosmo-One electronic platform operators, while the platform is still open. Upon closure of the platform the data shall be retrieved from the platform by Cosmo-One and shall be dispatched, as elaborated in the following paragraphs, to PPC and the participants.

## **2.2. Stage 1.**

Documents and Data required within the context of Stage 1a pertain to the:

- Participant's legal status.
- Participant's financial status.
- Participant's past experience / eligibility for participation in accordance to paragraph 2 of "Request for Proposals" (Document 1).
- Acceptance by the participants of the Bidding and Contractual Terms of the present RfP.
- Conformity of the quality of the Natural Gas offered with the quality specifications described in the Appendix I of Natural Gas System Management Code (can be found also in the link of Hellenic Gas Transmission System Operator <http://desfa.gr/en/regulated->

services/transmission/pliroforisimetaforas-page/natural-gas-quality-specification).

- P.P.C. as a Greek state company is obliged to be in accordance with its internal procedures and governance. Thus PPC cannot enter into a contract with a supplier who is registered in an offshore jurisdiction. Therefore participants must be registered in a country that is not classified as "offshore jurisdiction" by the Greek law.

Submission and evaluation of data within the context of Stage 1 shall be made as follows:

### **2.2.1 Stage 1a.**

The electronic platform of Cosmo-One shall be open for the submission of Documentation pertaining to Stage 1a of the RfP from Monday, 02.12.2019, 10:00 a.m. Athens local time (GMT+2) to Monday, 09.12.2019, 15:00 Athens local time (GMT+2).

The following documents shall be available to participants through the electronic platform of Cosmo-One:

- The full text of the "REQUEST FOR PROPOSALS FOR PIPELINE NATURAL GAS SUPPLY FOR YEAR 2020" in non-editable, portable document format.
- Specimen A.1 (declaration of unreserved acceptance of all Terms and Conditions set forth by PPC for the present Request), in editable format.
- Specimen A.2 (Participation Letter of Guarantee) in editable format.
- Specimen A.3 (Initial Financial Offer) in editable format.

The following documents and data are to be submitted:

- Official documentation regarding the Participant's legal status (e.g. Articles of Association, Country of Establishment, Authorized Representatives etc.).
- Official documentation proving the authority of the company official(s) to sign the documents submitted in the context of the present Invitation for RfP.
- Declaration, prepared according to specimen A.1 attached hereto, declaring unreserved acceptance of all Terms and Conditions set forth by PPC for the present RfP, duly signed by the above authorized company official(s).

- Documentation regarding the Participant's past experience towards meeting the requirements of paragraph 2 of RfP (Document 1), duly signed by the above authorized company official(s).
- Official financial documentation for the last three years, proving the Participant's financial capability to fulfill the obligations arising from his proposal; such documentation may include the Participant's annual financial statements (Balance Sheet, Profit and Loss Account) or any other data that might serve towards this end. The above information may be submitted either as "portable document format" files or a URL link (along with necessary authorization codes, if any).
- Declaration of conformity of the quality Natural Gas offered with the requirements specified by Hellenic Gas Transmission System Operator S.A. (DESFA).
- A list of all company officials authorized to sign a financial offer for the supply of the Natural Gas quantities required by PPC within the context of the present RfP; the list must be duly signed.
- Declaration of conformity that the supplier is not registered in an "offshore jurisdiction" as defined by the Greek law.
- Any additional information, as deemed necessary by the Participants, may be included in their offers, either as comments to the Participants' answers to the questionnaire, in the space(s) provided in the electronic platform, or as additional portable document formatted files uploaded to the platform.

All data and documents submitted within the context of Stage 1a shall be checked by PPC as regards conformity in every respect with the terms and requirements of the present RFP. Based on the results of the aforementioned procedure a list of any documents and/or data and/or clarifications required within the context of Stage 1 shall be sent through Cosmo-One to each participant.

### **2.2.2 Stage 1b.**

Consequently, the electronic platform of Cosmo-One shall be opened for a period of one full Greek working day in order for the participants to submit any documents and/or data and/or clarifications required, as above.

All participants shall be timely notified by Cosmo-One through e-mail about the exact opening and closing times of the electronic platform for Stage 1b of the RfP.

Following closure of the platform upon completion of Stage 1b, any documents and/or data and/or clarifications submitted shall be retrieved by Cosmo-One and

shall be sent to PPC. The full set of documents and/or data and/or clarifications, submitted by each Participant within the context of Stages 1a and 1b of the RfP shall be evaluated by PPC against the provisions of the present RfP as regards their conformity in every respect with the terms and requirements thereof.

Following such evaluation the following information shall be disclosed by Cosmo-One to all participants through e-mail:

- A list of all qualifying Participants; those will be eligible to participate in Stage 2 of the electronic RfP.
- The disqualifying Participants, if any; those will not be eligible to participate in Stage 2 of the electronic RfP.

## **2.3 Stage 2.**

### 2.3.1 Overview:

Documents and Data required within the context of Stage 2 pertain to the:

- Participant's Participation Letter of Guarantee (Bid Bond), according to Specimen A.2.
- Participant's Initial Financial Offer, duly signed by the above authorized company official(s), according to Specimen A.3. Initial Financial Offers shall be valid until 31.01.2020. Initial Financial Offers specifying a shorter period of validity shall be disqualified.

The electronic platform of Cosmo-One shall be opened for a period of one full Greek working day for Stage 2. The platform will be accessible only to Participants eligible to participate in Stage 2 of the electronic RfP.

All eligible participants shall be timely notified by Cosmo-One through e-mail about the exact opening and closing times of the electronic platform for Stage 2 of the RfP.

Upon closure of the electronic platform Cosmo-One will retrieve from the Server all data and documents submitted within the context of Stage 2.

A summary of the offers submitted shall be sent by Cosmo-One to all participants showing for each and every offer the price offered for delivery at the Sidirokastro and/or Kipi entry point of Hellenic Gas Transmission System Operator S.A. (DESFA).

### 2.3.2 Participation Letter of Guarantee:

A Participation Letter of Guarantee, issued by a Bank or other credit/financial institution acceptable to the Bank of Greece, drawn according to specimen A.3, for the amount of ten thousand Euros (€ 20.000).

The participation Letter of Guarantee must be scanned and uploaded to the electronic platform of Cosmo-One in portable document format; the original Participation Letter of Guarantee must be delivered to PPC (at 7,3<sup>rd</sup> Septemvriou Street, 104 32 Athens, Greece, 7th floor, office 715), within two working days after closure of the electronic platform upon completion of Stage 2.

In the case that the original Participation Letter of Guarantee is not delivered to PPC within the above deadline the financial offer submitted shall disqualify.

If no reason arises for the said Participation Letter of Guarantee to be forfeited on PPC's favor, according to the terms of the present RfP it shall be returned to its issuer according to the following:

In case the contract is not awarded to the Bidder, upon the decision of PPC's BoD approving the results of the RfP or upon the expiration of the validity period of his Offer, whichever is earliest.

### 2.3.3. Evaluation of Proposals

Compliance of the initial financial offers with the provisions set in the preceding paragraphs shall be checked; discrepant offers shall disqualify.

The contents of each of the Proposals shall be checked against the provisions of paragraph 2 and 3 of Document #1 ("Request for Proposals") & paragraph 2 of Document #2 ("Terms and Procedures").

Evaluation of the qualifying initial financial offers shall be based on the lowest Price, in EUR per KWh<sub>th</sub> (€/KWh<sub>th</sub>) of Pipeline Natural Gas delivered at the Sidirokastro and/or Kipi entry point of Hellenic Gas Transmission System Operator S.A. (DESFA).

- For supply prices based on oil-linked indexes,  $(SP) = f(\text{Br}, \text{HSFO}, \text{LSFO}, \text{GO}) + \text{GM}$ , the offered price will be evaluated by using the given in the offer indexes based on the arithmetic average of
  - the monthly prices of HSFO (3,5% Sulphur Heavy Fuel Oil), LSFO (1% Sulphur Heavy Fuel Oil) and Gasoil 0.1 in USD per metric ton for the five month period of July 2019 to November 2019 as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera" and
  - the monthly price of Brent (Br) in USD/bbl on spot basis for the five month period of July 2019 to November 2019 as published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)".

The price deriving from the above oil linked formula  $f([\text{Br}, \text{HSFO}, \text{LSFO}, \text{GO}]$  shall be in USD/KWh<sub>th</sub>.

- ✓ plus the Gross Margin (GM) in USD/KWh<sub>th</sub> or €/KWh<sub>th</sub>.
- For proposals that are linked to TTF natural gas index,  $(SP) = f(\text{TTF}) + \text{GM}$ , the offered price will be estimated by the arithmetic monthly average of December 2019 of TTF in €/KWh<sub>th</sub> as published by "ICIS – HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices" plus the Gross Margin (GM) in €/KWh<sub>th</sub>.
- For supply prices based both on oil-linked and TTF indexes ,  $(SP) = a * f(\text{Br}, \text{HSFO}, \text{LSFO}, \text{GO}) + b * f(\text{TTF}) + \text{GM}$ , the offered price will be evaluated by using the given in the offer indexes based on the arithmetic average of
  - the monthly prices of HSFO (3,5% Sulphur Heavy Fuel Oil), LSFO (1% Sulphur Heavy Fuel Oil) and Gasoil 0.1 in USD per metric ton for the five month period of July 2019 to November 2019 as published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera" and
  - the monthly price of Brent (Br) in USD/bbl on spot basis for the five month period of July 2019 to November 2019 as published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)".
  - the monthly price of December 2019 of TTF in €/KWh<sub>th</sub> as published by "ICIS – HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices"

The price deriving from the above oil linked formula  $f([Br,HSFO,LSFO,GO])$  shall be in USD/KWh<sub>th</sub> and for  $f(TTF)$  in €/KWh<sub>th</sub>.

- ✓ plus the Gross Margin (GM) in USD/KWh<sub>th</sub> or €/KWh<sub>th</sub>.

If necessary the offered prices will be converted from USD/KWh<sub>th</sub> to €/KWh<sub>th</sub> with the arithmetic monthly average of €/USD of November 2019 as it is published by the European Central Bank (ECB).

#### 2.3.4. Qualifying Participants for Stage 3 (Best and final financial offers).

All the Participants shall be eligible to participate in Stage 3 provided that the original Participation Letter of Guarantee has been delivered to PPC, as provided for in paragraph 2.3.2 above.

Prior to launching Stage 3 of the RfP Cosmo-One shall send through e-mail to all companies participating in Stage 2 the list of all participants and the prices offered by them.

#### 2.4. Stage 3.

The following document shall be available to Participants through the electronic platform of Cosmo-One:

- Specimen A.4 (Best and Final Financial Offer) in editable format.

The electronic platform of Cosmo-One shall be opened for a period of one full Greek working day for Stage 3. The platform will be accessible only to Participants eligible to participate in Stage 3 of the electronic RfP.

##### 2.4.1 Data to be submitted.

Within the context of Stage 3, participants shall be able to submit their "best and final" offer only as regards the price offered for Natural Gas.

Best and Final Financial Offers shall be valid until 31.01.2020. Best and Final Financial Offers specifying a shorter period of validity shall be disqualified.

No prices higher than those submitted in the Initial Financial Offers shall be accepted during Stage 3; in case no best and final offer is submitted by any Participant or the prices offered are higher than the corresponding prices in the Initial Financial Offer, the prices offered by said Participant in his Initial Financial Offer shall remain valid and binding.

##### 2.4.2 Evaluation of "best and final" offers.

The procedure mentioned in paragraph 2.3.3 will be followed.

### **3.Contract Award.**

3.1.Award of the Contract(s) resulting from the RfP is subject to approval by PPC's Board of Directors.

3.2.The Contract(s) shall be drawn up according to the "Draft Contract" (Document 3) included in the present RfP.

3.3.The award of the contract is officially notified by PPC to the Supplier by a letter inviting him to:

3.3.1. Deliver the Good Performance Letter of Guarantee, according to the provisions of the Contract (Article 10 of the Draft Contract - "Document 3" of the present Invitation).

Both PPC S.A. and the successful participants shall issue a Letter of Guarantee, according to the sample included in Specimen A5 herein, in favor of the other party, not later than the Delivery Start Date, unless the Parties agree otherwise. The Letter of Guarantee shall cover an amount equal to the value of quantity of Natural Gas which is at least thirty (30) times and at most sixty (60) times the Average Daily Quantity over the Contract Duration which is calculated as follows:

Contract quantity/Duration of the Contract in calendar days in MWhth

3.3.2. Submit to PPC any additional document(s) required by the Greek Legislation in order for the Bidder to be eligible to enter into a contract with PPC.

3.3.3. The sign of the contract will take place within 30 days after the decision of PPC's Board of Directors. If the participant does not show up to sign the contract within the above time limit, PPC is entitled to declare him forfeited.

### **4. Invoicing and Payment**

Invoicing of Natural Gas shall be effected in Euros. The conversion of USD Dollars (\$) to Euros (€) will be based on the USD/Euro exchange rate applicable on the day the invoices are issued as it is published by the European Central Bank (ECB).

Payment shall be done by the 20th Day of the Month following the Month of delivery. If the payment due date is not a banking day when the banks are open for normal business in Greece, the payment shall be done on the first following banking day.

### **5. PPC's Reservations and Rights**



- 5.1 By participating in the present Request for Proposals, the Participant unreservedly declares that he is fully aware of the terms as well as of all the data and parts of the RfP.
- 5.2 PPC reserves the right to postpone the closing date and time of Stage 1a of the herein above electronic procedure. Such an extension shall be in time and officially announced through the electronic platform and shall be included in a relevant Supplement issued soon thereafter.
- 5.3 PPC shall in no case be responsible or liable to indemnify Participants for any expense or cost Participants may have sustained for the preparation and submission of their Proposals, particularly in case their Proposal is not accepted or the Procedure is cancelled or postponed or transferred at any stage and time and for any reason or cause thereof. Consequently, those who participate in the present procedure and submit the Proposal, independently of whether they have been finally accepted or not, do not acquire any right at all against PPC from this procedure and their participation to it.
- 5.4 Any Proposal, submitted according to the terms of the Present RFP, is considered as proposal to PPC and not as an acceptance of PPC's proposal.
- 5.5 No Participant is entitled to invoke any omissions in the submission of the offer or in signing of any document in order to be exempted from or diminish his liabilities.
- 5.6 The terms and restrictions concerning the submission of Proposals are to PPC's benefit, which has the right to waive them, without such an action however providing any right to the Participant's.
- 5.7 PPC does not bind itself to accept any offer nor to assign any reason for the rejection of any offer nor to purchase the whole of the quantity specified or any part thereof and reserves the right to annul the process and reject all offers at any time prior to award a Contract, without thereby incurring any liability to the affected Participant or Participants.

## **6. Procedure cancellation.**

PPC reserves the right to cancel in whole or partially the Procedure initiated by the present Request for Proposals according to the following:

- In case of breach of the rules of the Procedure, if the result of the Procedure is influenced by such a breach.

- In case the result of the Procedure is considered justifiably not satisfactory for PPC.
- In case competition was inadequate, or if there is serious evidence that there has been an agreement between the Participants to avoid real competition.
- In case the circumstances change substantially and the tendering of the services are no longer to the interest of PPC.

**Specimen A.1**

**DECLARATION OF ACCEPTANCE  
OF ALL TERMS AND CONDITIONS**

The herein below signed ..... lawfully representing the Firm....., bidding against Public Power Corporation's RfP Inquiry DNPSDP -5/2019, I declare that I took cognizance of all Bidding Terms and Conditions enunciated in the respective Request For Proposals, I studied and accept same irrevocably and unreservedly in the name of said firm.

Authorized Signature(s) .....

Name(s) and Title(s) .....

Date .....

**Specimen A.2**

**PARTICIPATION LETTER OF GUARANTEE**

TO:  
PUBLIC POWER CORPORATION  
7, 3<sup>rd</sup> Septemvriou Street, Athens 104 32 GREECE

DATE.....

We wish to inform you that we irrevocably and unreservedly guarantee in favour of your Bidder (1) ..... having its seat or domiciled in (2) ..... waiving expressly and unreservedly the exception of claiming the benefit of option and our right objections of all kinds, including the principal obligor's non-individual objections and particularly any other objection as from articles 852-856, 862-864 and 866-869 of the Greek Civil Code, and renouncing of all our rights deriving from the above articles ,we are severally responsible towards you and as principal obligors, with up to the sum of ..... (3) ..... for the participation of the said supplier in the Bid under Inquiry No (4)..... to be held on (5) ..... for ..... according to the terms and specifications of your Inquiry and its supplements, a copy of which was delivered to us, its reception being confirmed by the present.

The above guarantee refers only to the obligations deriving from the participation in the aforementioned Bid up to the signing of the relative contract by Bidder in case of an award to him, and the delivery by him to you of a Letter of Good Performance Guarantee in accordance with your instructions, but in no event whatsoever does it refer to the obligations deriving from the performance of such a contract.

In the event as a consequence of the above guarantee and according to your free and uncommitted judgment you will decide and inform us that the said Bidder is in default with regard to any obligation assumed by him in connection with his participation in the above Bid, we are hereby assuming the obligation to pay forthwith to you, without any objection whatsoever, the guaranteed sum, either in total or in part, according to your instructions and upon demand, without any authorisation, action or consent of the Bidder hereinabove mentioned being required for such payment, nor any opposition, exception, objection or recourse to arbitration and/or Courts to be eventually by above Bidder demanding non-forfeiture or sequestration of this Letter of Guarantee being considered.

We further declare that our present guarantee shall remain in full force and effect, until any and all obligations assumed by the Bidder by virtue of his participation in the above bid will have been fulfilled and this letter of guarantee will be returned to us together with a declaration from you releasing us from the present guarantee.

- 
- NOTE:** On blank spaces to be inserted:
- (1) The business trade name of the Bidder.
  - (2) The address of Bidder's seat is to be inserted here.
  - (3) The amount of Participation Bond is to be inserted here.
  - (4) Number of Inquiry to be inserted.
  - (5) Closing date for the submission of the Bids is to be inserted here.



**Specimen A.4**  
**BEST AND FINAL FINANCIAL OFFER**

The herein below signed ... *[insert name, Title]*... , lawfully representing the Firm ... *[insert Bidding Firm's official name]* ... , bidding against Public Power Corporation's RfP Inquiry No DNPSDP –5/2019 declare that:

- All price formulas quoted through the electronic platform of Cosmo-One within the context of Stage 3 (Best and Final Financial Offer) of the aforementioned Inquiry are correct.
- Said Best and Final Financial Offer shall remain valid and binding for the above Firm until 31.01.2020.

Authorized Signature(s) .....

Name(s) and Title(s) .....

Date .....



**PUBLIC POWER CORPORATION S.A.**

New Products & Services Development & Promotion Department  
7, 3rd Septemvriou Street  
104 32 Athens, GREECE

**INQUIRY N°: DNPSDP –5/2019**

**SUBJECT: "PROPOSALS FOR PIPELINE NATURAL GAS SUPPLY FOR YEAR 2020"**

**Document #3**

**DRAFT CONTRACT**

**BETWEEN**

**PUBLIC POWER CORPORATION S.A.,  
hereinafter referred to as BUYER**

**AND**

**hereinafter referred to as SELLER**

**ARTICLE 1 DEFINITIONS**  
**ARTICLE 2 OBJECT OF CONTRACT**  
**ARTICLE 3 QUALITY**  
**ARTICLE 4 DELIVERY AND ACCEPTANCE**  
**ARTICLE 5 CONTRACT PRICE**  
**ARTICLE 6 INVOICING AND PAYMENT**  
**ARTICLE 7 NOMINATIONS**  
**ARTICLE 8 DEFICIENT QUANTITY AND PENALTIES**  
**ARTICLE 9 FORCE MAJEURE**  
**Article 10 GOOD PERFORMANCE LETTER OF GUARANTEE**  
**ARTICLE 11 LAW AND DISPUTE RESOLUTION**  
**ARTICLE 12 TERMINATION**  
**ARTICLE 13 CONFIDENTIALITY**  
**ARTICLE 14 MISCELLANEOUS**  
**ARTICLE 15 DURATION OF THE CONTRACT**  
**ARTICLE 16 NOTIFICATIONS**  
**ARTICLE 16 REGISTERED OFFICE ADDRESSES OF THE PARTIES**



THIS CONTRACT entered into this XX,XX, 20XX, in Athens,

by and between:

1 the company under the name PUBLIC POWER CORPORATION SOCIETE ANONYME and with the distinctive title PUBLIC POWER CORPORATION (P.P.C.) S.A. headquartered in 30 Chalkokondyli Str, 10432, Athens, TIN 090000045, Tax Office FAE Athinon, as legally represented herein by .....(hereinafter referred to as «Buyer»), first Party

and

2. ....(hereinafter referred to as «Seller»), second Party

hereinafter individually referred to as "Party" and collectively referred to as "Parties".

The Parties hereto agree and mutually accept the following:

## ARTICLE 1 DEFINITIONS

Unless expressly stated otherwise herein, for the purposes of this Contract shall apply the following definitions:

- 1.1** "Contract" shall mean this contract for the sale and purchase of Pipeline Natural Gas.
- 1.2** "Day" - the period of twenty-four consecutive hours from 7.00 a.m. on any calendar day to 7.00 a.m. on the following calendar day with reference to the local legal time at the Delivery / Acceptance Point as defined in article 1 par.31 of "Natural Gas System Management Code" or as it may be determined in the future by law or regulation.
- 1.3** "Delivery Point" or "Delivery/Acceptance Point" is the pipeline entry point of Sidirokastro or/and Kipi of the Greek National Natural Gas Transmission System (NNGS or "ESFA" in Greek) as defined in "Natural Gas System Management Code" where the title to and the risk of partial and/or total loss of the Natural Gas delivered hereunder is passed from Seller to Buyer. The delivery and acceptance of Natural Gas at Sidirokastro and /or Kipi shall be validated with DESFA's confirmed quantities via OPSFA, for Entry Point Sidirokastro and/or entry point Kipi.
- 1.4** "Sidirokastro" is the Entry Point of the NNGS where gas pipeline crosses Bulgarian Republic / Hellenic Republic border.
- 1.5** "Kipi" is the Entry Point of the NNGS where gas pipeline crosses Turkish Republic / Hellenic Republic border.
- 1.6** "Planned Maintenances" shall mean scheduled maintenance works, as officially announced by the relevant TSO's.
- 1.7** TSO's shall mean the Bulgarian Natural Gas Transmission System Operator and the Turkish Gas Transmission System Operator.
- 1.8** "Interconnection Agreement" means the agreement signed on 24.06.2016 between DESFA and BULGARTRANGAZ
- 1.9** "Business Rules" means Article 4 of the Interconnection Agreement signed on 24.06.2016 between DESFA and BULGARTRANGAZ, as published in DESFA's website.
- 1.10** "Delivery Start Date" shall mean the first Day of delivery of Natural Gas from Seller to Buyer at the Delivery/Acceptance Point under this Contract.
- 1.11** "DESFA" is the Greek Natural Gas Transmission System Operator as defined in the provisions of par. (2)(g) of article 2 of Law 4001/2011
- 1.12** "Natural Gas" or "Gas" stands for any hydrocarbon or a blend of hydrocarbons (constituted mainly by methane) and incombustible gases in a gaseous state, extracted from the depth of the earth in a natural condition,

separately or together with liquid hydrocarbons, processed for transport by gas line and conforming quality specification set forth in Article 3 of the Contract.

- 1.13** "Week" - the period of time beginning at 7.00 a.m. on the Monday of a calendar week and ending at 7.00 a.m. on the Monday of the next calendar week with reference to the local legal time at the Delivery-Acceptance Point or as it may be determined in the future by law or regulation.
- 1.14** "Month" - the period of time beginning at 7.00 a.m. on the first day of a calendar month and ending at 7.00 a.m. on the first day of the next calendar month with reference to the local legal time at the Delivery-Acceptance Point or as it may be determined in the future by law or regulation.
- 1.15** "Quarter" shall mean the period of three months starting at 7 a.m. on the first day of the month of January, April, July and October and ending at 7 a.m. on the first day of April, July, October and January respectively, with reference to the official local time at the Delivery - Acceptance Point or as it may be determined in the future by law or regulation.
- 1.16** "Contract Duration" - shall mean the period of time beginning at 7.00 a.m. on the 1<sup>st</sup> of January 2020 and ending at 7.00 a.m. on the 1st of January 2021 with reference to the local legal time at the Delivery-Acceptance Point or as it may be determined in the future by law or regulation.
- 1.17** "Parties/Party" - when written with capital letter shall mean Buyer and/or Seller.
- 1.18** "USD" shall mean the currency of the United States of America expressed in Dollars.
- 1.19** "Average Daily Quantity" or "ADQ" is the quantity of Natural Gas that is equal to the quotient of the Contract Quantity divided by the duration of the present contract in calendar days.
- 1.20** "Daily Contract Quantity" or "DCQ" shall mean a reference quantity of Natural Gas expressed in  $\text{KWh}_{\text{th}}/\text{Day}$  used to describe rights and obligations of Parties under this Contract. It is equal to ADQ unless PPC has chosen the flexibility option.
- 1.21** "Flexibility" PPC reserves the right to choose a daily contract quantity that can vary from 0-125 % of Average Daily Quantity as elaborated in Article 1 of document No 3 ("Draft Contract"). In this case the contract price will be increased by a flexibility premium equal to 0,00013 €/KWh.
- 1.22** "Contract Quantity" or "CQ" shall mean a reference quantity of Natural Gas expressed in  $\text{MWh}_{\text{th}}$ , used to describe rights and obligations of Parties under this Contract. The "CQ" is defined in Article 2, paragraph 2.2.1.



taken by the Buyer due to Force Majeure and due to Planned Maintenances throughout the Contract Year.

**2.3.3** PPC reserves the right to increase the hereinabove quantity by 10% of the CQ, according to PPC's needs.

**2.3.4** For any Day of the Contract the Seller shall make available to the Buyer at the Delivery Point and the Buyer shall be entitled to off - take up to the Daily Contract Quantity (DCQ) .

The Buyer has the right to request daily quantity in excess and the Seller, subject to its availability, may respectively supply the Buyer with the requested quantity.

### **ARTICLE 3 QUALITY**

The Natural Gas to be delivered under the present Contract shall comply with the natural gas quality specifications as described in the Appendix I of Natural Gas System Management Code (or at DESFA's link <http://desfa.gr/en/regulated-services/transmission/plifororisimetaforas-page/natural-gas-quality-specification>).

### **ARTICLE 4 DELIVERY AND ACCEPTANCE**

**4.1** The delivery and acceptance of Natural Gas shall be effected at the Delivery Point as defined in Article 1 and in accordance with the stipulations of the Natural Gas System Management Code.

The title to and the risk of partial and/or total loss of Natural Gas delivered hereunder are passed from the Seller to the Buyer at the Delivery Point of Sidirokastro or/and Kipi.

**4.2** The quantity of Natural Gas delivered and accepted every Day at the Delivery Point shall be defined according to the last confirmations by DESFA as per the respective OPSFA notifications of the daily nominated quantity at the Delivery Point to both Seller and Buyer for the Day of Delivery according to the relevant provisions of article 42 and article 43 of the Natural Gas System Management Code.

**4.3** The final quantity of the Natural Gas to be invoiced pursuant to Art. 6.2 herein shall be the total quantity allocated and confirmed by DESFA according to the relevant provisions of Article 43 of the Natural Gas System Management Code regarding the final allocation.

**4.4** The form and content of documents mentioned in Article 4, shall be determined in accordance with the forms issued by DESFA in accordance with the Natural Gas System Management Code, article 43.

## ARTICLE 5 CONTRACT PRICE

**5.1** The Contract Price "CP" for the Natural Gas delivered from the Seller to the Buyer under this Contract at the Delivery Point shall be defined as follows:

**5.1.1** CP shall be the price, in .... (USD or EUR) per KWh<sub>th</sub> for the supply of Pipeline Natural Gas and shall be determined in accordance with the following price formula:

$$CP=f([Br,HSFO,LSFO,GO] \text{ and/or } f[TTF])+GM$$

Where

i.  $f(Br,HSFO,LSFO,GO)$ = in case of oil-linked price formula where the price of the indexes will be defined as:

HSFO: the arithmetic average of the monthly prices of 3.5% Sulphur Heavy Fuel Oil expressed in USD per metric ton for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, and which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

LSFO: the arithmetic average of the monthly prices of 1% Sulphur Heavy Fuel Oil expressed in USD per metric ton for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

GO: the arithmetic average of the monthly prices in USD/ton of Gasoil 0.1 for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

Br: the arithmetic average of the monthly prices in USD/bbl of Brent for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)".

For all of the above indexes the arithmetic average of the average daily prices of each day of the month is considered as monthly price, published as above.

The price deriving from the above oil linked formula **f([Br,HSFO,LSFO,GO])** shall be in USD/KWh<sub>th</sub>.

ii.  $f(\text{TTF}) =$  in case of gas-linked price formula

where the price of index TTF will be the arithmetic monthly average of the delivery month in EUR/KWh<sub>th</sub> as published by "ICIS – HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices".

iii.  $F = a * f(\text{Br,HSFO,LSFO,GO}) + b * f(\text{TTF}) =$  in case of a mixed oil-linked and gas-linked price formula where:

- ✓ a and b are the proportion of each index to the price and
- ✓ the price of the indexes will be defined as:

HSFO: the arithmetic average of the monthly prices of 3.5% Sulphur Heavy Fuel Oil expressed in USD per metric ton for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, and which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

LSFO: the arithmetic average of the monthly prices of 1% Sulphur Heavy Fuel Oil expressed in USD per metric ton for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

GO: the arithmetic average of the monthly prices in USD/ton of Gasoil 0.1 for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "European Bulk Average Prices lows and highs quotation Cargoes CIF Med Basis Genoa/Lavera".

Br: the arithmetic average of the monthly prices in USD/bbl of Brent for the consecutive period of 6 months preceding the first month of the quarter for which the calculations are performed, which prices are published by "Platt's Oilgram Price Report" chapter "World Crude Oil Prices" under title "Brent Spot Average (Refining center: ARA)".

For all of the above indexes the arithmetic average of the average daily prices of each day of the month is considered as monthly price, published as above.

The price deriving from the above oil linked formula **f([Br,HSFO,LSFO,GO])** shall be in USD/KWh<sub>th</sub>.

TTF: the arithmetic monthly average of the delivery month in EUR/KWh<sub>th</sub> as published by "ICIS - HEREN" publication "European Spot Gas Markets" under the title "Heren Monthly Indices".

iv. GM=Gross Margin in USD/KWh<sub>th</sub> or EUR/KWh<sub>th</sub>.

**5.2** The contract price shall be rounded to the ninth (9) decimal place and it will be converted in €/KWh<sub>th</sub> based on the USD/Euro exchange rate applicable on the day the invoices are issued as it is published by the European Central Bank (ECB).

**5.3** The Contract Price does not include:

(A) Excise Duty.

(B) RAE tax, which is borne by the Buyer and shall be included in the monthly invoice.

(C) The Security of Supply Levy which is borne by the Buyer and shall not be included in the monthly invoice.

(D) The value-added tax (VAT) on invoices issued by the Seller for the Buyer shall be borne by the Buyer.

(E) All other taxes, general or specific, which may be imposed in Greece after the entry into force of this Contract, fees, contributions to Municipalities, the Greek government, charges or deductions for third parties, reciprocal charges, etc. regarding the sale of Natural Gas, as well as any import duties, import charges and additional transmission charges to the Natural Gas Delivery Point. In the event of the above, they shall burden the Buyer. For the avoidance of doubt, the Seller shall be liable for and pay all Tax and duties with respect to Natural Gas arising before the transfer of risk and title at the Delivery Point. The Buyer shall be liable for and pay all Tax and duties with respect to the Natural Gas delivered after the transfer of risk and title at the Delivery Point.

## **ARTICLE 6 INVOICING AND PAYMENT**

**6.1** Invoicing



Invoicing of Natural Gas shall be effected in Euros.

**6.1.1.** Following the end of each accounting period the Seller shall render to the Buyer an invoice with the corresponding documents relevant to quantity and price of the Natural Gas delivered during the said accounting period.

The Seller is obliged to send the original invoice to the Buyer by registered letter not later than 15 days from the end of the Delivery Month. The invoice sent to the Buyer shall be accompanied by the following documents:

- Invoice(s) of Seller - 1 copy
- Monthly Delivery Report - 1 copy

**6.1.2.** Accounting periods shall be each Month. Monthly invoices for the Month concerned include:

- The total quantity of Natural Gas off-taken by the Buyer at the Delivery Point in  $KWh_{th}$
- The applicable Supply Price in  $€/KWh_{th}$
- The total cost of above quantity of Natural Gas off-taken by the Buyer at the Delivery Point, in Euros
- The applicable Transmission charge in Euros
- RAE Tax, VAT, and any other duties, levies or taxes applicable in Euros;

In case of any discrepancy between the Monthly Report of Delivery and Acceptance that Seller sends to the Buyer and the final quantity allocation at delivery point, any difference will be settled in the invoice of the immediately following Month.

## **6.2** Payment

**6.2.1** Payment shall be done by the 20th Day of the Month following the Month of delivery, effected by banking transfer to the bank .....of the Seller in Euro. If the payment due date is not a banking day when the banks are open for normal business in Greece, the payment shall be done on the first following banking day.

The Buyer shall indicate in payment documents the Contract and the invoice reference dates and numbers.

At the Seller's request the Buyer shall provide the Seller with a SWIFT copy of the effected payment within 24 (twenty-four) hours from the moment of payment.

All banking expenses regarding the above payments shall be borne by the Buyer.

Overpaid amount, if any, shall be reflected as an adjustment on the next monthly invoice.

#### **6.2.2. Other Documents**

Monthly Delivery and Acceptance Report and any other documents, which are necessary for verifying any invoice (if applicable), shall be forwarded with said invoice and shall be deemed part of the invoice.

### **ARTICLE 7 NOMINATIONS**

#### **7.1 Weekly Nomination**

A Weekly quantity nomination ("Weekly Nomination") shall be sent by e-mail on Thursday of each Week before 16.00 by the Buyer to the Seller specifying the anticipated Gas delivery requirement for each Day of the following week.

#### **7.2 Daily Nominations**

The Buyer shall inform the Seller each Day on the required quantity ("Daily Nomination") for the following Gas delivery Day. Each Daily Nomination shall be sent by e-mail and delivered to the Seller before 16:00 on the day before the delivery day to which the nomination refers. The Seller shall examine the Daily Nominations by 16.00 of the Day before the delivery Day and in the event the Seller shall not notify the Buyer of any change until then, the Daily Nominations can be submitted by the Buyer to DESFA as per the Business Rules of the Interconnection Agreement.

Daily Nomination will be submitted by the Buyer to DESFA until 18:00 as per the relevant provisions of the Natural Gas System Management Code.

Upon confirmation from DESFA to the Buyer of Natural Gas quantities to be transmitted on the Delivery Day, the Buyer shall inform the Seller on the confirmed quantities not later than 18.45 of the Day before the delivery Day.

Regarding Kipi entry point the respective procedure is going to be followed.

#### **7.3 Daily Renominations**

They will be agreed between the parties.

#### **7.4 In the event of discrepancy of confirmed quantities compared to the nominated quantities according to the relevant notifications sent by OPSFA,**

the Parties shall inform each other during the Day before the Delivery Day, and in such event, the Party that submitted the discrepant nomination shall re-submit the correct nomination to OPSFA according to the relevant provisions of the Natural Gas System Management Code as per the procedure of daily nominations.

The Parties shall inform each other as early as possible of any events which may result in a temporary reduction or interruption of deliveries or takes, respectively, hereunder.

Such information in no case shall affect the rights and obligations of the Parties on Natural Gas deliveries and off-take under this Contract.

## **ARTICLE 8 DEFICIENT QUANTITY AND PENALTIES**

- 8.1** If the Seller fails to deliver Natural gas quantities that he has confirmed in accordance with article 7.2 of the present contract and provided that such Natural Gas quantities remain within the DCQ as defined in Art. 1 herein, then the Seller shall compensate the Buyer for any programming penalties, and/or additional costs suffered due to balancing gas directly connected to the deviation of the Natural Gas quantities delivered by the Seller from the confirmed Daily Nominations, or the DCQ, whichever is lower.
- 8.2** The Parties' liability is limited solely to direct documented losses and damages sustained by the counterparty. Beyond these losses, the counterparty shall not be entitled to any compensation for other damage or loss.
- 8.3** Without prejudice to the previous paragraph, the total amount of proven damages that any Party may claim for each Delivery Month shall be limited to  $0.01 \times CQ \times \text{Contract Price}$  applicable in the delivery Month concerned.

## **ARTICLE 9 FORCE MAJEURE**

- 9.1** In the event of Force Majeure, neither Party shall be under any liability for failure to fulfill any obligation to the extent to which the affected Party will be unable to perform its obligations due to Force Majeure or caused by it. The exemption shall not apply for the fulfillment of financial obligations.
- 9.2** The term "Force Majeure" means circumstances beyond the control of the Party concerned exercising the standard of care of a reasonable and prudent

operation. Such circumstances may include but are not limited to acts of God and the public enemy, forces of nature, floods, earthquakes, landslides, fires, explosions and other unavoidable accidents or damages, state of war (declared or undeclared), general strikes, sabotage and warlike operations.

**9.3** For the avoidance of doubt, the circumstances described above, shall be considered as circumstances of Force Majeure for the Seller also in the case where these occur to the Seller's supplier or to the extent that these circumstances impact the Natural Gas transmission systems which is used for the delivery of the Natural Gas under this Contract.

**9.4** Following the occurrence of any circumstances of Force Majeure the Party affected shall immediately notify the other Party of the occurrence and the expected extent and duration of such circumstances and take all reasonable measures, which may be useful to ensure the resumption of the normal performance of the Contract within the shortest possible time.

**9.5** If it is foreseen that circumstances of Force Majeure and/or the effects thereof exceed a period of 10 (ten) days, Parties shall negotiate and endeavor to find a solution acceptable to both Parties.

The cancellation of the Contract due to Force Majeure circumstances shall take place only by mutual consent of the Parties.

**9.6** The party whose performance is so affected shall immediately notify the other party hereto indicating the nature of such a cause and, to the extent possible, inform the other party of the expected duration of the force majeure event.

#### **Article 10 GOOD PERFORMANCE LETTER OF GUARANTEE.**

**10.1** Together with the signed Contract, the Seller and the Buyer shall deliver to the other party, at their own expenses, a Good Performance Letter of Guarantee issued by a Bank of the Seller's/Buyer's approval respectively, made out according to the Specimen A.5 attached and covering an amount equal to the value of quantity of Natural Gas which is at least thirty (30) and not exceeding sixty (60) times the Average Daily Quantity over the Contract Year which is calculated as follows:

Contract quantity/Duration of the Contract in calendar days (in MWh<sub>th</sub>)

The amount of the Letter of Guarantee shall be the product of the forementioned quantity multiplied by the Supply Price applicable on the Delivery Start Date. The USD/Euro exchange rate used for the calculation of the said amount shall be the average USD/Euro exchange rate of the month preceding the month of its submission to the Seller. The Letter of Guarantee shall remain valid for a period of 60 days after the expiration or termination of the Contract.

This Guarantee should be irrevocable and unconditional and should provide for the obligation of the Guarantor to effect payment against first demand of the other Party according to the provisions of the contract. In case of the in whole or in part forfeiture of the Letter of Guarantee, within three (3) days following the forfeiture, a new letter of guarantee shall be issued, equal to the forfeited amount.

**10.2** The Seller's delay in delivering said Letter of Guarantee entitles the Buyer to terminate the Contract immediately, while the Seller will be held responsible for all damages possibly occurring and shall refund to the Buyer all, without exception, the amounts paid to him in advance, together with demurrage interest. If required and in order to assure the said refund, the Buyer may, according to his judgment, proceed to forfeiture of the Participation Letter of Guarantee, already in the Buyer's hands.

**10.3** If no contrary special term is included in this Contract, and no reason exists for its forfeiture, the Good Performance Letter of Guarantee will be returned to the Bank of issue, upon the Seller's/Buyer's request respectively, following the full and complete fulfilment, without exception, of all of the Seller's/Buyer's contractual obligations as well as the final clearance of all accounts associated with the contract.

## **ARTICLE 11 LAW AND DISPUTE RESOLUTION**

**11.2** The Parties shall try to settle in an amicable way all disputes and differences which may arise out of or in connection with this Contract. Either of the Parties may notify each-other for the existence of such dispute. In the case the Parties fail to reach an amicable solution within 30 (thirty) days from such notification, the dispute shall be resolved in accordance with the provision of paragraph 2 of the present article.

**11.3** The governing law of this agreement is the Greek Law and Greek Law shall be used for interpreting the agreement and for resolving all claims or disputes

arising out of or in connection with this agreement (whether based in contract, in tort or on any other legal doctrine) and these disputes these disputes shall be settled exclusively by the Courts of Athens.

#### **ARTICLE 12 TERMINATION**

Supplier or Buyer shall have the right to terminate this contract in the event of a breach by the other party of any term which by its nature may be deemed by the innocent party to be fundamental hereto. In such case the party guilty of breach of this contract shall be liable to pay to the other party compensation and damages for the loss and damage suffered by the breach.

For the purpose of ascertaining the extent and amount of such loss and damage the Buyer shall be entitled and is hereby authorized without prejudice to the provisions or Art. 8 herein to purchase and, at such price or prices and under such terms and conditions as the Buyer may think fit, from any Corporation, Company, Firm or Person and from any source or sources whatsoever and either outright or gradually a quantity of natural gas conforming to the specification of this contract not exceeding the maximum quantity agreed to be sold and delivered under this contract less any quantity or quantities already delivered. The Buyer shall be entitled to offset any amounts claimed by the Buyer for compensation and damages against any amount(s) payable by the Buyer to the Seller for the value of natural gas already delivered and/or any other amount already deposited by the Seller in favour of the Buyer for any reason.

Enforcement of any provision of this contract shall not be affected by any previous waiver or course of dealing, and election of any particular remedy shall not be exclusive of any other. All rights and remedies are cumulative.

#### **ARTICLE 13 CONFIDENTIALITY**

Both parties hereby undertake the obligation to treat as strictly secret and confidential, any confidential information made available to them or to which they will have access by virtue of their capacity and association with the company.

#### **ARTICLE 14 MISCELLANEOUS**

**14.1**This Contract shall be governed by and construed and interpreted in accordance *with the Greek Law*.

- 14.2** This Contract represents the entire agreement of the Parties and may only be amended in writing.
- 14.3.** In the case of legislative and /or regulatory amendments, concerning jus-cogens provisions, which affect substantially and considerably the execution of this Contract, the Parties undertake the obligation to proceed to negotiations aiming at the modification of the affected contractual provisions. Either of the Parties may notify the other for the existence of such legislative and/or regulatory amendments. In the case the Parties fail to reach an amicable solution within 60 (sixty) days from such notification, the dispute shall be resolved in accordance with the provisions of article 10.
- 14.4.** If any provision (or part of a provision) of the Contract is invalid or unenforceable to any extent or for any purpose, such invalidity or unenforceability shall not affect the validity or enforceability for other purposes of the remaining provisions (or the rest of the provision in question), but the relevant provision shall be deemed to be severed or subject to such consequential modifications as may be necessary as a result.
- 14.5.** The present Contract is signed in two original copies in English.
- 14.6.** All communications in connection with the fulfillment of this Contract shall be held in English or in Greek.
- 14.7.** The Parties, intending to be legally bound, acknowledge and agree to treat this Contract, its contents and all the documents and information made available or shall become available to them for the duration of the present Contract and related to its realization, as confidential information and use them only for purposes of the Contract and shall not disclose, or cause or permit to be disclosed, in whole or in part, to third parties except for the purpose of implementing the present Contract.

#### **ARTICLE 15 DURATION OF THE CONTRACT**

The delivery and off-take of Natural Gas under the Contract shall be made from 7:00 a.m. of January 1<sup>st</sup>, 2020 until 7:00 a.m. of January 1<sup>st</sup>, 2021.

The Contract shall enter into force at the latest three (3) days following the written notification of the successful participant and shall be valid until the date of fulfillment of all Parties' obligations under the Contract.

The duration of the contract may be extended by one more year at PPC's option with the same terms, contractual quantity and pricing formula.

#### **ARTICLE 16 NOTIFICATIONS**

All notices between the Parties, as well as all notifications, statements, instructions and other information exchanged under this Contract shall be made in writing, addressed to the attention of the persons, whose particulars are listed below, and shall be delivered to them either by hand against receipt, or by registered mail (which will be prepaid and a return receipt shall be requested), or by fax, or email. The addresses, fax numbers and email addresses of the Parties are:

**For the Buyer:**

To the attention of:

Address:

Telephone number:

Fax number:

E-mail:

**For the Seller:**

To the attention of:

Address:

Telephone number:

Fax number:

E-mail:



**REGISTERED OFFICE ADDRESSES OF THE PARTIES**

**The Buyer:**                    **PUBLIC POWER CORPORATION S.A.**  
Address:                        **30 Chalkokondyli Str, 10432, Athens**  
Telephone number:  
Fax number:

**The Seller:**  
Address:  
Telephone number:  
Fax number:

IN WITNESS, thereof, the Parties hereto have signed this Contract in 2 (two) original copies, each Party having received its copy.

**On behalf of**  
**PUBLIC POWER CORPORATION S.A.**

**On behalf of**  
**the Seller**

**SPECIMEN A.5**

**GOOD PERFORMANCE LETTER OF GUARANTEE**

TO:  
PUBLIC POWER CORPORATION  
30, Chalkokondyli Street, Athens 104 32 GREECE

DATE .....

We beg to inform you that, waiving expressly and unreservedly the exception of claiming the benefit of option as well as our rights deriving from articles 852-856, 862-864 and 866-869 of the Greek Civil Code, we hereby expressly, irrevocably and unreservedly guaranteed as principal obligors in favour of your Supplier (1) ..... having its seat in (2) ..... up to the sum of (3) ..... for the exact, faithful fulfilment of every and all obligations assumed by your said Supplier pursuant to the Contract (or Purchaser Order) No (4)..... which provides for (5)..... entered into with you, the contents of which are known to us.

In the event, as a consequence of the above guarantee, you will decide, that the said Supplier is in default with regard to any obligation of any kind or nature undertaken by him by virtue of the above CONTRACT (or Purchaser Order), we are hereby assuming the obligation to pay forthwith to you without any objection the guaranteed sum, either in total or in part, according to your instructions and immediately upon your demand, without any authorisation, action or consent of the Supplier hereinabove mentioned being required for such payment nor any opposition, exception objection or recourse to arbitration or the Courts thereof to be eventually instituted by the above Supplier shall be taken into consideration.

We further declare that our present guarantee, shall remain in full force and effect until any and all obligations assumed by the Supplier by virtue of the above Contract (or Purchaser Order) and its supplements, not increasing the initial contract price, are fulfilled but however, not later than (6).....when this letter of guarantee is returned to us together with a written declaration from you releasing us from the present guarantee. Furthermore we declare that we shall extend the validity of this guarantee, at your request, made in writing prior to the expire date of this guarantee.

-----  
**NOTE:** In blank spaces to be inserted:

- (1) The business trade name of the Supplier.
- (2) The address of Supplier's seat.
- (3) The maximum guarantee amount.
- (4) Number (identification) of the Contract (or Purchaser Order), as referred to on the first page of such Contract (or Purchaser Order)
- (5) Full description of the material to be supplied.
- (6) The date (day, month, year) six months after the date of the last contractual delivery, unless otherwise stated in the Contract (or Purchaser Order).