

# BBLC Implicit Allocation Guidance Document

Department  
BBL Company

Report  
BBLC Implicit Allocation Guidance Document

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Our reference

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## Introduction

The *BBLC Implicit Allocation Guidance Document* together with Exhibit I of the *BBL Company General Terms & Conditions (Implicit Allocation)*, sets out the rules that apply to the *Implicit Allocation of Transmission Capacity IA*.

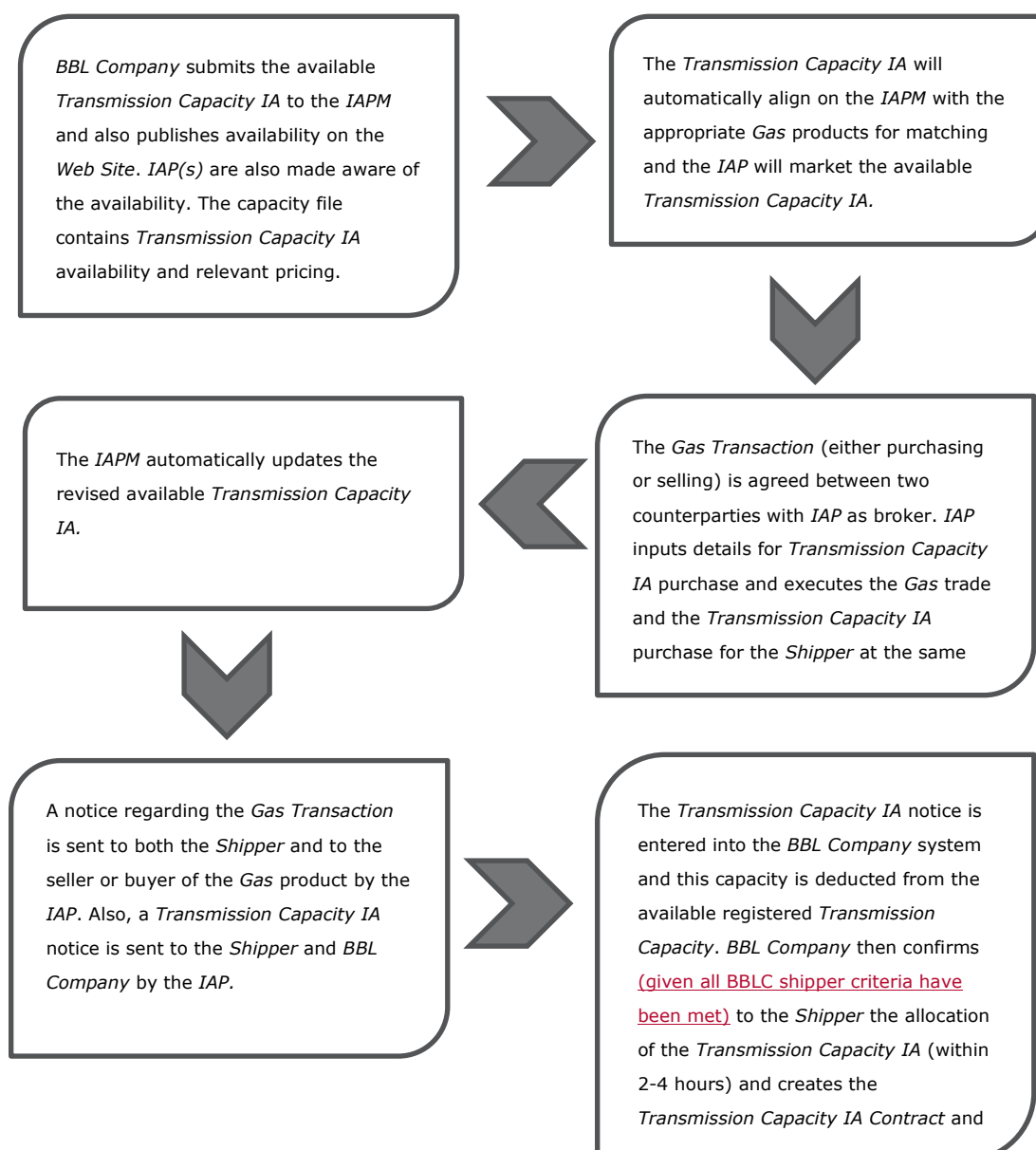
In the *BBL Company General Terms & Conditions (GTC)* the terms defined shall have the same meaning when used in this *BBLC Implicit Allocation Guidance Document*.

## BBL Company and partners in the Implicit Allocation process

*BBL Company* will appoint an *Implicit Allocation Partner(s) (IAP)* to offer *Transmission Capacity IA* on behalf of *BBL Company* in combination with an equivalent quantity of *Gas*.

*BBL Company* in cooperation with the *IAP* will also appoint an *Implicit Allocation Platform (IAPM)* to ensure that offered *Transmission Capacity IA* sold through the *IAP* is displayed in a clear and transparent manner.

The process involving both the *IAP* and *IAPM* for the purchase of *Transmission Capacity IA* through the *Implicit Allocation* is shown below.



Requirements for Shippers to be able to participate in the *Implicit Allocation* process

*Shippers* who wish to buy *Transmission Capacity IA* products through *Implicit Allocation* must:

- 1) Become a formal *BBL Company Shipper* and need to sign the *BBL Company General Terms & Conditions*
- 2) Conclude a contractual agreement with the *Implicit Allocation Partner*
- 3) Obtain access to the *Implicit Allocation Platform*.

Transparency w.r.t. available capacity and products offered through *Implicit Allocation*

*BBL Company* will make *Transmission Capacity IA* products (see Table 1) available for sale through the *Implicit Allocation* process. *BBL Company* will offer a maximum of ~~75~~90% of the available technical capacity via *Implicit Allocation* for capacity products up to and including the fifth Gas Year. From the sixth (6<sup>th</sup>) Gas Year onwards *BBL Company* will offer a maximum of 80% of the available technical capacity via *Implicit Allocation*.

All *Transmission Capacity IA* will be offered as firm, unbundled capacity.

After the monthly Prisma auction has taken place, *BBL Company* will offer an additional maximum of ~~75~~90% of the remaining available capacity for *Transmission Capacity IA* that is available for the applicable month

All *Transmission Capacity IA* products offered through *Implicit Allocation* will be available for sale at the *BBL Exit Point* (firm forward flow) and *Entry Point Reverse Flow* at Bacton.

The quantity of *Transmission Capacity IA* that will be made available for sale through *Implicit Allocation* each *Gas Day* will be published in an up-to-date, actual overview on the *BBL Company Web Site*.

*BBL Company* makes sure that the *IAP* and the *IAPM* will also be provided with an up-to-date overview on available *Transmission Capacity IA* and the relevant capacity tariffs.

BBLC will offer following *Transmission Capacity IA* products via *Implicit Allocation*:

- Monthly, Quarterly, Seasonal, Annual, Balance of the Month

Table 1: Overview of tenors and relevant available *Transmission Capacity IA*

Implicit Allocation Offer		Restrictions			Example Purchase Curve	
Product Length	Period	Availability	Max. Available Capacity (%)	Profiling	Purchase Date	Available Capacity (tenors)
annual	Gas Year (GY)	8 front GYs	<del>75</del> 80-90	none	Nov'20	GY21-GY28
6 monthly	2 contiguous quarters	8 front seasons (Or 8 front contiguous Qs)	<del>75</del> 90	none	Nov'20	<del>(Q1'21, Q2'21) - (Q3'24, Q4'24)</del>
quarterly	calendar quarter	8 front quarters	<del>75</del> 90	none	Nov'20	<del>Q1'21 - Q4'22</del>
monthly	calendar month	8 front months	<del>75</del> 90+ <del>75</del> -90 of the remaining available capacity after the monthly Prisma auction	none	Nov'20	<del>Dec'20 - Jul'21</del>

<u>Balance of the Month</u>	<u>Remainder of the calendar month</u>	<u>Not applicable</u>	<u>90+90 of the remaining available capacity after the monthly Prisma auction</u>			
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BBLC will publish all available transmission capacity and all sold transmission capacity (via *Implicit Allocation* or via *PRISMA* auctions) on the *BBL Company Web Site*.

#### Capacity tariffs for *Transmission Capacity IA*

*BBL Company* will publish the tariffs of *Transmission Capacity IA* for any potential product at the *BBL Company Web Site*. Tariffs of *Transmission Capacity IA* are in line with the *BBL Company* charging methodology. *Transmission Capacity IA* will be sold on a First Come First Serve base and therefore only involves the reserve price and no additional "surcharge".

#### Product compatibility between *PRISMA* products and *Transmission Capacity IA*

*Transmission capacity IA* will not be offered at the same time as capacity on the *PRISMA* platform. There will be no overlap of capacity being offered at a certain moment in time to make sure no transmission capacity will be sold twice. Before the start of a *Prisma* auction all offered *Transmission capacity IA* will be removed for sale from the ~~Third Party Communication~~ *Implicit Allocation* Platform. Unsold transmission capacity can be offered for sale via *Implicit Allocation* again after the *PRISMA* auction has taken place.

*BBL Company* will provide a forward view on the *BBL Company Web Site* as to when *Implicit Allocation* will be suspended due to the *PRISMA* auction process.

#### The matching process of *Implicit Allocation*

*Transmission Capacity IA* may only be allocated by the *Implicit Allocation Partner* in tandem with and simultaneously to the execution of a *Gas Transaction* (either purchasing or selling) for a corresponding quantity of *Gas*. Furthermore following criteria must be met :

- 1) The purchase/sale of the *Gas* must be made between a seller/buyer of *Gas* (who is also client of the *Implicit Allocation Partner*) and the *Shipper*
- 2) The *Gas* product must be physically settled
- 3) The tenor of the purchased/sold *Gas* product must correspond directly with the tenor of the purchased *Transmission Capacity IA*
- 4) The volume of the *Gas* product must correspond directly with the volume of the purchased *Transmission Capacity IA*
- 5) The *Gas* product must be purchased/sold at a delivery point or hub within North West Europe, including delivery points and hubs in ~~the Europe UK, Belgium, France, The Netherlands and Germany.~~

The *Transmission Capacity IA* and the *Gas* product form the *Matched Product*.

The matching will result in two transactions:

- *Gas transaction* (Commodity deal between the *Shipper* and the seller/buyer of the *Gas* product)
- *Implicit Allocation Transaction* (*Transmission Capacity IA* between *BBL Company* and the *Shipper*)

#### Miscellaneous

Please be aware that *Transmission Capacity IA* products, *Gas* products and the conditions described in this *BBLC Implicit Allocation Guidance Document* may be amended by *BBL Company* from time to time.