

MEMORANDUM OF UNDERSTANDING BETWEEN
THE MINISTRY OF THE ECOLOGICAL TRANSITION OF THE ITALIAN REPUBLIC and
THE MINISTRY OF ENVIRONMENT AND ENERGY OF THE HELLENIC REPUBLIC
ON
COOPERATION IN THE SECURITY OF GAS SUPPLY AND GAS STORAGE

WHEREAS

The Ministry of the Ecological Transition of the Italian Republic and the Ministry of Environment and Energy of the Hellenic Republic (hereinafter referred to as "*the Participants*");

Recognizing the special relationship between the Italian Republic and the Hellenic Republic, both guided by shared values, principles, and commitments to democracy, rule of law and respect for human rights, peace and stability, solid political, economic and cultural ties, belonging to the European Union and the Atlantic Alliance and by the shared commitment to a strong and sustainable socio-economic development of the Mediterranean region;

Recognizing also the importance of States' collaboration on taking all necessary measures to ensure that the targets of "Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage" are achieved;

Sharing the intention to further strengthening the bilateral energy collaboration, in the context of the energy policies of the two States and the requirements of the EU Energy Union;

In the light of the impact of the Russian military aggression against Ukraine since February 2022 that led to unprecedented gas price increases and risk of supply disruptions which affected the security of gas supply Union-wide;

Given the fact that since further disruptions of gas supplies cannot be excluded, EU Regulation 2022/1032 of the European Parliament and of the Council of 29 June 2022 imposed to Member States underground gas storage (hereinafter referred to as "*UGS*") obligations in order to meet a certain level of filling targets;

Considering that each Member State undertakes a binding target for the filling level of the aggregated capacity of UGS facilities located in its territory and for Member States without UGS Facilities to ensure that arrangements in that respect with UGS operators or market participants in Member States with UGS facilities are in place;

Considering that the Hellenic Republic has no UGS facilities located in its territory and is willing to seek for storage capacity in UGS facilities located in the territory of the Italian Republic given that the Italian gas network is interconnected with the Greek gas network via the Trans-Adriatic Pipeline (hereinafter referred to as "*TAP*");

Considering that the Italian Republic and the Hellenic Republic, observing the principle of EU solidarity in the security of gas supply, therefore recognize the scope that exists for stronger bilateral energy collaboration, in the context of the energy policies of the two States and the requirements of the EU Energy Union;

Taking into the utmost account the opinions of both the Italian and the Greek National Regulatory Authorities for Energy with regards to the implementation of this Memorandum (MoU);

Have reached the following understanding:

Article 1

The aim of this MoU is to establish a framework for strengthening co-operation between the Participants to ensure that storage capacity may be booked in UGS facilities located in the territory of the Italian Republic.

Under this framework, the storage volume capacity and the corresponding injection and withdrawal capacities may be booked by one or more Greek shippers of the National Natural Gas Transmission System operated by DESFA (hereinafter referred to as the “*NNGTS Users*”) for a maximum aggregate storage capacity of 1,14 TWh. The amount of storage of each NNGTS User will be communicated by the Ministry of Environment and Energy of the Hellenic Republic to the Ministry of the Ecological Transition of the Italian Republic in advance with respect to its injection in the storage.

Once registered as user of the Italian transportation system, as provided for by Snam Network Code, said NNGTS Users will be entitled to withdraw the injected gas quantities – in accordance with the respective UGS contractual provisions – and to export such quantities to Greek National Natural Gas Transmission System (hereinafter referred to as “*the NNGTS*”) in the territory of the Hellenic Republic.

This process will take place through appropriate transportation capacity bookings to the Snam Rete Gas transmission system in the territory of the Italian Republic and to the Trans Adriatic Pipeline that interconnects the two Countries.

NNGTS Users may withdraw the injected gas quantities and export such quantities also in case of partial or complete interruption of Russian gas deliveries to the Italian Republic and/or to the Hellenic Republic and/or to any other EU Member States or in case of any declaration of Crisis of any Level as defined in EU Regulation 2017/1938, as in force.

Article 2

The Participants will support the following objectives in order to ensure storage capacity in UGS facilities in the Italian Republic and export of the gas quantities stored in such facilities to the Hellenic Republic via the Snam Rete Gas transmission system and TAP’s transmission system.

i. To book Storage volume Capacity by one or more NNGTS Users in Italian UGS facilities, pursuant to the standard rules, in accordance with the Italian Network and Storage Code at the tariff defined by ARERA for storage services allocated with non-market based criteria,

including variable costs in kind and in value applied to volume injected and withdrawn and transmission costs applied at entry and exit point of the transmission network interconnected with storage, taking into account the exceptional and urgent nature of this measure.

For this reason, any administrative burden or formality will be simplified as much as possible with the best efforts of all involved players in order to promptly conclude the allocation procedure. Given the extraordinary nature of this MoU the conclusion of the allocation procedure, including the financial checks of NNGTS Users and any other requirements foreseen by the regulatory framework, should not extend to more than 48-72 hours.

ii. To withdraw, under any circumstances, the daily contracted gas quantities for export to the Hellenic Republic, once the NNGTS Users have booked the necessary transmission and storage capacity and injected the corresponding gas quantities in accordance with the relevant contractual provisions.

iii. To transport the relevant gas quantities, once the NNGTS Users have booked the necessary transmission capacity, through the Snam Rete Gas transmission system, in accordance with the Italian transportation Network Code, for the purpose of injection in the UGS facilities and withdrawal from the UGS facilities in the Italian Republic to the exit point of the Snam Rete Gas transmission system, the Melendugno exit point (i.e., commercial reverse flow capacity).

iv. To transport the relevant gas quantities, once the NNGTS Users have booked the necessary transmission capacity, on TAP system (i.e. commercial reverse flow capacity / route Melendugno – Nea Messimvria) in accordance with TAP's Network Code, in order to have such gas quantities delivered to the relevant shippers in the Hellenic Republic at the Nea Messimvria exit point of TAP.

v. To off take the relevant gas quantities in the Hellenic Republic, once the NNGTS Users have booked the necessary transmission capacity, on the Greek NNGTS, in accordance with the Greek NNGTS Network Code, after entering at the Nea Messimvria entry point of DESFA.

Article 3

The maximum aggregated storage capacity and the corresponding injection and withdrawal capacities under this Memorandum of Understanding is set at 1,14 TWh.

With respect to the maximum aggregated storage capacity subject to the effective NNGTS Users booked transportation capacities in the relevant transmission system as per Article 2 hereof, the Ministry of the Ecological Transition of the Italian Republic and the Ministry of Environment and Energy of the Hellenic Republic confirm that all contracted exportations, including those contracted by the NNGTS Users, will be entitled to export such daily quantities of 7.522 MWh and will not be affected by any restrictive administrative measure during the period 01.11.2022-31.03.2023 (winter 2022 – 2023) in any case, including the case of partial or complete disruption of Russian gas deliveries to the Italian Republic and/or to the Hellenic Republic and/or to any other EU Member States or in case of any declaration of any Crisis Level provided for in EU Regulation 2017/1938 as in force and as amended by EU Regulation 2022/1032.

Article 4

The Ministry of the Ecological Transition of the Italian Republic will assist the Ministry of Environment and Energy of the Hellenic Republic in the activities undertaken pursuant to this MOU by making available to the latter information regarding any issues related to the capability of *NNGTS Users* in Greek Natural Gas System to book and use storage capacity in UGS facilities located in the territory of the Italian Republic. The confidentiality of any sensitive information pertaining to any of the Participants or to the activities governed by this MoU as well as any arrangement that may be concluded pursuant to this MoU, will be strictly and duly respected.

The Participants will support an increased cooperation between Italian and Greek Competent Authorities and gas transmission system operators, namely Snam Rete Gas, TAP and DESFA, in order to implement the objectives set forth in this Memorandum of Understanding.

The Participants agree to fully co-operate and act in consultation with each other and to avail themselves of each other advisory services during implementation and performance of this MOU as well as of any arrangement that may be concluded pursuant to this MoU.

Any difference in the interpretation and/or implementation of this Memorandum of Understanding will be settled amicably through direct consultations and negotiations between the Participants.

Article 5

This MoU does not constitute an international agreement which may lead to rights and obligations under international law. No provision of this MoU is to be understood and performed as a legal or financial obligation or commitment of the Participants; it embodies the will of fully cooperate under the EU Regulation 2022/1032 and it represents the framework for arrangements between the Italian and Greek operators of the involved gas storage/transmission infrastructures.

The present Memorandum of Understanding will be implemented in accordance with national laws and regulations of the Participants, as well as applicable international law and in compliance with obligations arising from the membership of the Italian Republic and the Hellenic Republic of the European Union. The activities indicated in the present Memorandum of Understanding will be implemented by the Participants according to their ordinary budget availability without any additional cost for the State budgets of the Italian Republic and of the Hellenic Republic.

Article 6

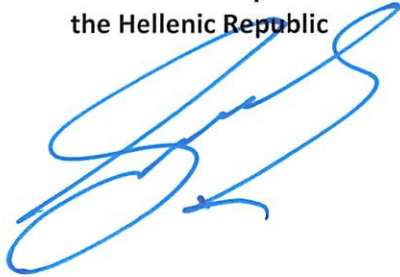
The present Memorandum of Understanding takes effect on the date of signature and will remain valid for twelve (12) months. The Participants may decide to extend its validity by mutual consent in the terms they deem appropriate.

The present Memorandum of Understanding may be amended at any time by mutual written consent of the Participants. Any such amendment will enter into force according to the procedure set forth in the first paragraph of this Article.

The present Memorandum of Understanding may be terminated by either Participant at any time with a thirty (30) days' written notice to the other Party.

-Signed in Brussels, September 9 2022, in two originals in the English language, both texts being equally authentic.

**For the Ministry of Environment and Energy of
the Hellenic Republic**

A handwritten signature in blue ink, consisting of several large, overlapping loops and a final horizontal stroke.

**For the Ministry of the Ecological
Transition of the Italian Republic**

A handwritten signature in black ink, featuring a large, stylized initial 'M' followed by several smaller, connected strokes.