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{Each page of the original document, starting from page 2, bears the following stamp:

PRESIDENT of the Energy Regulation Office; dr Leszek Juchniewicz [stamp includes signature illegible]}

[stamp:  
PSE-Operator Spółka akcyjna  
(Joint stock company)  
ul. Mysia 2; 00-496 Warsaw]

[stamp:  
THIS TARIFF IS AN ATTACHMENT TO THE DECISION OF PRESIDENT OF URE of  
December 15<sup>th</sup>, 2004, no. DTA-4211-50(19)/2004/4988/I/BT-?]

[stamp:  
PRESIDENT of the Energy Regulation Office; dr Leszek Juchniewicz [signature illegible]]

**ELECTRIC ENERGY TARIFF  
of  
PSE-OPERATOR S.A.**

[stamp: PRESIDENT OF THE MANAGEMENT BOARD *Piotr Kukurba* [signature illegible]]

[stamp: VICE-PRESIDENT OF THE MANAGEMENT BOARD *Stefania Kasprzyk*  
[signature illegible]]

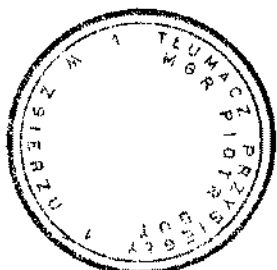


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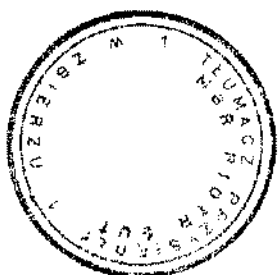
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**1. GLOSSARY OF TERMS**

Terms used in the PSE-OPERATOR S.A.'s tariff mean:

- 1.1. **Load schedule:** set of data determining scheduled amounts of electric energy supply or consumption for a schedule unit, separately for particular settlement periods of balancing market.
- 1.2. **Point of delivery of electric energy from transmission grid (PoD):** a point in the network, to which the PSE-Operator S.A. deliver electric energy, specified in the connection agreement or in the agreement for rendering transmission services.
- 1.3. **Connection point:** a point in network where the connection site is connected to the grid, as specified in the connection agreement.
- 1.4. **Connection capacity:** active power planned to be taken off or fed into the grid, specified in the connection agreement as the maximum value of the average values of that power within the period of 15 minutes, used for designing the connection site.
- 1.5. **Transmission services user:** everyone who uses transmission services rendered by the PSE-Operator S.A. on the basis of an agreement.
- 1.6. **Special consumer:** a consumer who, in the previous calendar year, consumed for its own use not less than 500 GWh of electric energy, utilising not less than 50% of connection capacity, for whom the cost of electric energy amounted to not less than 20% of his production costs.
- 1.7. **Transmission power system operator:** an electric power enterprise holding a license for transmission and distribution of electric energy, responsible for operation of the transmission grid within the Republic of Poland.
- 1.8. **Distribution power system operator:** an electric power enterprise holding a license for transmission and distribution of electric energy, responsible for operation of the distribution network, for area of the country specified in the license.
- 1.9. **Development plan:** a plan regarding meeting of the present and future demand for electric energy, taking into account the local area development plan, or directions of municipal development specified in the analysis of conditions and directions of the municipal area development plan, prepared by energy enterprises involved in transmission and distribution of electric energy for the area of their activity according to Art. 16 of the Act.



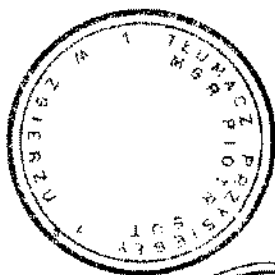
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- 1.10. **Connection site** a segment of the system which connects an installation or network of a single entity to the grid.
- 1.11. **Transmission grid:** network used for transmission and distribution of electric energy of nominal voltage higher than 110 kV.
- 1.12. **Distribution network:** network used for transmission and distribution of electric energy of nominal voltage not higher than 110 kV.
- 1.13. **Force Majeure:** a sudden event, which is unforeseeable and independent of the parties' will, which totally or partially makes impossible fulfilling contractual obligations permanently or in a certain period of time, which cannot be prevented or counteracted by proper diligence of the parties: Force Majeure symptoms are in particular:
- a) natural disasters, including fire, flood, drought , earthquake, hurricane, rime;
  - b) acts of national authorities, including martial law, state of emergency, embargoes, blockades etc.
  - c) acts of war, acts of sabotage;
  - d) general strikes or other civil disturbances including public demonstrations, lockouts.
- 1.14. **Connection Terms:** conditions specified by the PSE-Operator S.A., which should be met by an entity applying for connection to the transmission grid.

## **2. GENERAL PROVISIONS**

- 2.1. This Tariff of the PSE-Operator S.A., hereinafter called „Tariff” takes into account the provisions of:
- a) Act of 10 April 1997 — Energy Law (Journal of Laws of 2003 No. 153 item 1504 and No. 203 item 1966 and of 2004 No. 29 item 257, No. 34 item 293, No. 91 item 875, No. 96 item 959 and No. 173 item 1808, hereinafter called “the Act”.
  - b) Regulation of the Minister of Economy, Labour and Social Policy of 23 April 2004 concerning detailed principles of setting and calculating tariffs, and of settlements in electric energy trade (Journal of Laws of 2004, No. 105 item 1114), hereinafter called “the Tariff Regulation”.



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- 2.2. The Tariff is used for making settlements with users of transmission services and entities accordingly with the scope of services provided, and with agreements concluded with PSE-Operator S.A.
- 2.3. This Tariff of PSE-Operator S.A., defines the types, values and application terms of:
- a) rates of fees for transmission services;
  - b) subscription fee rate;
  - c) rebates and discounts for not keeping up quality standards of electric energy and customer service quality standards
  - d) charges for illegal take-off of electric energy;
- as well as methodology for calculating charges for connection to the grid.
- 2.4. Prices, fees and charges set forth in the Tariff do not include value added tax (VAT). VAT is calculated in accordance with appropriate law regulations in force.
- 2.5. Prices and charges set forth in the Tariff are established for the following quality standards of electric energy:
- a) frequency 50 Hz with maximum deviations -0.5 Hz to +0.2 Hz,
  - b) maximum available deviation of voltage level from nominal voltage within 15 minutes should not exceed range -10% to +5% in networks of nominal voltage level lower then 110 kV and in networks of nominal voltage level of 400 kV and should not exceed range  $\pm 10\%$  in networks of nominal voltage of 110 and 220 kV,
  - c) voltage distortion ratios as well as contents of other than base harmonic in relation to the base harmonic must not exceed,
    - 1.5 and 1.0 % for connection points where nominal voltage is higher than 110 kV,
    - 2.5 and 1.5 % for connection points where nominal voltage is not higher than 110 kV and higher than 30 kV,
- 2.6. A condition to keep voltage level within ranges set in points a) ÷ c) is taking off energy by a customer with capacity not higher then the contractual capacity and  $\text{tg } \varphi$  not higher then 0.4.



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### 3. PRINCIPLES OF SETTLEMENTS FOR PROVISION OF TRANSMISSION SERVICES

#### 3.1. General principles of settlements

3.1.1 For services provided, related to transmission and distribution of electric energy, transmission services users pay a charge calculated as a sum of subscription charge and a charge for transmission services. Settlements with entities using transmission services are made on the basis of agreements for providing transmission services.

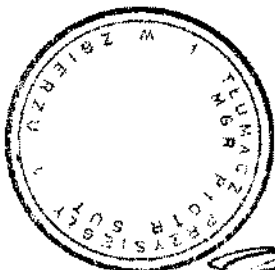
3.1.2 Transmission rates for each service are classified into the following:

3.1.2.1 **Network rates** — for providing transmission and distribution of electric energy through the transmission grid, applied to entities which physically (technically) take off electric energy from the transmission grid. Network rates are calculated for the transmission services users as single-zone, two-component rates, divided into:

- a) **fixed component** of the network rate, expressed in PLN/MW/year;
- b) **variable component** of the network rate, expressed in PLN/MWh.

3.1.2.2 **System rate** — related to maintaining quality, reliability and security of electric energy supply; the system rate, expressed in PLN/MWh, calculated as a single-component, single-zone rate, the same for all users of transmission services, accounting for the following factors:

- a) **quality factor** — conveys the costs of maintaining system standards of quality and reliability of current supplies of electric energy, expressed in PLN/MWh,
- b) **equalising factor** — conveys costs of additional services consisted in maintaining the required condition of the national power system, the services being rendered by the manager of contracts, as mentioned in §29 of the Tariff Regulation, to the benefit of the transmission system operator, by fulfilling provisions of power and energy sales contracts, which make possible the realisation of capital developments mentioned in article 45 clause 1a of the Act, hereinafter called “long term



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contracts”; the factor is calculated according to §20 clause 6 of the Tariff Regulation, and expressed in PLN/MWh,

- 3.1.2.3 accounting rate** — for balance-accounting services; calculated as a single-component, single-zone rate, the same for all users of transmission services; expressed in PLN/MWh,
- 3.1.3 Subscription charge rate** related to reading measuring devices as well as to services pertaining to customer invoicing. The subscription charge rate is calculated as single-zone, the same for all users of transmission services, expressed in PLN/PoD/month. The subscription fees are charged monthly in the full amount, regardless of the day of the month on which the agreement for providing transmission services was concluded or terminated, or on which the given PoD was added/deleted by means of an annex to the aforementioned agreement.
- 3.1.4** Network rates for transmission services are applied for PoD, for users of transmission services at the output bay of the highest voltage switching stations (R or/and R1), or at the lower side of the step down transformer (T). A diagram of the PoDs is shown in item 6, Fig. 1. A set of transmission services users, for whom the network rates are applied to, is shown in item 5, Table 1. Specification of the PoD for each user of transmission services is shown in item 6, Table 2.
- 3.1.5** Tariff carrier for the network rate fixed component is contractual capacity. Contractual capacity is active power taken off the grid, specified in the agreement for rendering transmission services, as the maximum value from average values of that power within the period of 15 minutes or in a agreement for rendering transmission services signed between operators, as the maximum value from average values of that power within the period of one hour.
- 3.1.6** Contractual capacity, for each PoD, for a tariff year, is ordered by users of transmission services until 16<sup>th</sup> of August every year preceding to year the Tariff will be applied. Where there are neither contractual capacity orders, nor any other written agreements, PSE-Operator S.A, for making settlements, will use volume of contractual capacity for a given PoD that was applied for making settlements in the previous tariff year.
- 3.1.7** If a transmission service user takes off power at a volume exceeding the contractual power specified in the agreement for providing transmission services, a charge is collected from such user determined according ( $O_{d,i}$ ) to the formula:



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$$O_{d,i} = \frac{1}{6} \cdot S_{SVn} \cdot \sum_{j=1}^{l_{MD,i}} \sum_{k=1}^{l_g} (P'_{j,k} - P_j)$$

where:

$S_{SVn}$  — fixed component of the network rate, [PLN/MW/year];

$l_{MD,i}$  — number of PoD's of the i-th user, [-];

$l_g$  — time, expressed in hours, during which the contractual power was exceeded by the given transmission service user at the j-th PoD;

$P'_j$  — measured power taken off by the given transmission service user at the j-th PoD, [MW];

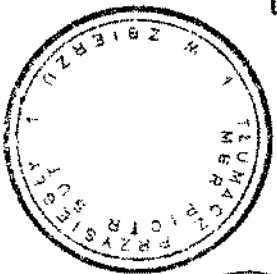
$P_j$  — contractual power at the j-th PoD of the given user, as specified in the agreement for providing transmission services, [MW].

In case when a given user of transmission services is supplied from more than one PoD, for PoD's where at the k-th hour the contractual power was not exceeded,  $P'_j = P_j$  is assumed.

**3.1.8** The fee calculated in clause 3.1.7 above shall not be charged for a given transmission service user, if the contractual power was exceeded at the given PoD due to:

- a) force majeure;
- b) emergency shut-down of at least one PoD supplying such transmission service user;
- c) disconnection of the user's equipment by order of PSE-Operator S.A., without the given user having previously applied to PSE-Operator S.A. for such disconnection.

**3.1.9** Where contractual capacity is exceeded, PSE-Operator S.A shall issue, within 30 days from the date of PSE-Operator's notification of such excess, an invoice for the charge calculated as per 3.1.7, which will constitute basis for the payment to be made by the user for exceeding contractual capacity, unless within 30 days from the notification, transmission service user submits an appeal to PSE-Operator S.A., in



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which he proves that exceeding of contractual capacity was caused by one of the reasons given in item 3.1.8.

- 3.1.10** If the point of delivery for the user of transmission services is located at LV/110 kV switching station, where generation units are connected to the 110 kV buses, then the contractual power, and the exceeding of contractual power are determined with the assumption that one generator is operating at its technical minimum capacity. In case if more than one generating unit is connected to the buses of a 110 kV switching station, the contractual power is determined with the assumption that one generator connected to the 110 kV buses operates at its technical minimum, whereby it is assumed that that generator unit is in operation, which has the lowest technical minimum value of all generators connected to the buses of the 110 kV switching station. The exceeding of contractual power is calculated as in clause 3.1.7. In case if none of the generating units is operating at the 110 kV switching station, the transmission service user shall be charged fees for exceeding the contractual power only when the difference between the power taken off from the transmission grid and the lowest value of the technical minimum is higher than the contractual power.
- 3.1.11** PSE-Operator S.A. may cease delivery of electric power to a transmission service user, in case such user delays payment for provided transmission services by at least one month after the payment deadline, despite previous notice in writing of the intention to terminate the agreement, and despite granting an additional two-weeks' period time for payment of arrears and current dues.
- 3.1.12** The manager of contracts shall conduct settlements with transmission system operator for rendered additional services in question in §20 clause 5 of the Tariff Regulation, on the basis of invoices, in monthly settlement periods.
- 3.1.13** Settlements for rendered transmission services are effected in monthly invoicing periods.
- 3.1.14** PSE-Operator S.A. shall issue invoices for transmission services and for subscription charge no later than on the 7<sup>th</sup> day of the month following the accounting month in question. In case there is no actual data received from the transmission service users up till that date, PSE-Operator S.A. shall issue an invoice on the basis of initial accounting data.



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- 3.1.15** As initial accounting data mentioned in item 3.1.14, data is adopted as submitted by transmission service users to PSE-Operator S.A. when calculating the Tariff.
- 3.1.16** If invoices mentioned in item 3.1.15 are issued, with amounts calculated on the basis of initial settlement data, PSE-Operator S.A. shall issue, by the 22<sup>nd</sup> day of the month following the accounting month in question, a corrective invoice on the basis of actual data of electric energy received from transmission service users up till 20<sup>th</sup> day of the month following the accounting month.
- 3.1.17** If errors are found in the measurement or readout from the measurement and billing system, which have caused overstatement of amounts payable for transmission services, PSE-Operator S.A. shall effect corrections of the already issued invoices immediately.
- 3.1.18** The correction of invoice resulting from incorrectness being found as mentioned in clause 3.1.17, shall cover the entire billing period, or the period in which the observed incorrectness or error took place.
- 3.1.19** Settlements in the case of corrective invoices are based on the volume of reading error of the measurement and billing system.
- 3.1.20** Where it proves unfeasible to estimate the deviation referred to in clause 3.1.19, calculation of the correction amount is based on the average amount of electric energy units for the period of one day, calculated on the basis of the sum of electric energy units properly measured by the measuring system in the previous billing period, multiplied by the number of days of the period covered by the correcting invoice. In establishing the correction amount, the seasonal variability of energy taken off and other substantiated circumstances influencing the volume of electric energy taken off should be taken into account.
- 3.1.21** Where it is unfeasible to determine the average daily consumption of electric energy on the basis of the previous period, the basis for establishing the volume of the correction shall be the readout of the measurement and billing system taken from the next invoicing period.
- 3.1.22** The overpayment resulting from correction of settlements is credited to the account of payments for the first subsequent invoicing period, unless the consumer requires the amount to be paid back.



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### 3.2 Detailed principles of settlements

For services rendered, related to transmission and distribution of electric energy, transmission services user pays a monthly charge ( $O_{pi}$ ) calculated as:

$$O_{pi} = O_{poi} + O_{abi}$$

where:

$O_{poi}$  – monthly transmission charge of the i-th transmission service user, expressed in PLN/month,

$O_{abi}$  – subscription charge of the i-th transmission service user, expressed in PLN/month,

#### 3.2.1. Calculation of the monthly transmission services charge

The monthly transmission services charge to be paid by the i-th transmission service user ( $O_{poi}$ ) is calculated according to the formula:

$$O_{poi} = O_{ssi} + O_{szi} + O_{syi} + O_{roi}$$

where:

$O_{ssi}$  – fixed network charge paid by the i-th transmission service user, expressed in PLN/month;

$O_{szi}$  – variable network charge paid by the i-th transmission service user, expressed in PLN/month;

$O_{syi}$  – system charge for the i-th transmission service user, expressed in PLN/month;

$O_{roi}$  – accounting charge for the i-th transmission service user, expressed in PLN/month.

3.2.1.1 The network fixed charge paid by the i-th transmission service user ( $O_{ssi}$ ) is calculated according to the formula:

$$O_{ssi} = \frac{1}{12} \cdot S_{SVn} \cdot P_i$$

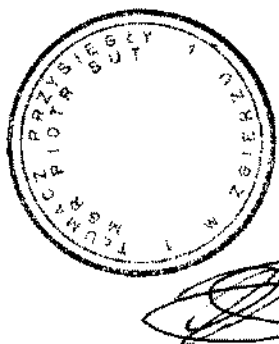
where:

$S_{SVn}$  – fixed component of the network rate [PLN/MW/year];

$P_i$  – contractual power of the i-th transmission service user [MW], calculated according to the formula:

$$P_i = \sum_{j=1}^{I_{MD}} P_j$$

where:



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$P_j$  – contractual power at the  $j$ -th PoD of the  $i$ -th transmission service user;

$l_{MD}$  – number of MDs of the  $i$ -th transmission service user [-].

3.2.1.2 The variable network charge paid by the  $i$ -th transmission service user ( $O_{szi}$ ) is calculated according to the formula:

$$O_{szi} = S_{ZVn} \cdot E_{pi}$$

where:

$S_{ZVn}$  – variable component of the network rate, [PLN/MWh];

$E_{pi}$  – amount of electric energy taken off by the  $i$ -th transmission service user [MWh], calculated according to the formula:

$$E_{pi} = \sum_{j=1}^{l_{MD}} E_{pj}$$

where:

$E_{pj}$  – amount of electric energy taken off at the  $j$ -th PoD by the  $i$ -th transmission service user [MWh];

$l_{MD}$  – number of PoDs of the  $i$ -th transmission service user [-].

3.2.1.3 The system charge for the  $i$ -th transmission service user ( $O_{syi}$ ) is calculated according to the formula:

$$O_{syi} = k_{oi} \cdot S_{oS} \cdot E_{oi}$$

where:

$k_{oi}$  – transmission service user's factor of participation in covering system costs, set for the given transmission service user. Factor values are presented in clause 7, Table 3;

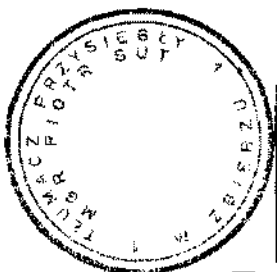
$S_{oS}$  – system rate expressed in PLN/MWh, calculated according to the formula:

$$S_{oS} = S_{oSj} + S_{oSsw}$$

where:

$S_{oSj}$  – quality factor of the system rate, [PLN/MWh];

$S_{oSsw}$  – equalising factor of the system rate, [PLN/MWh];



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- $E_{oi}$  – amount of electric energy [MWh] calculated for each transmission service user, either as:
- taken off by transmission service users who use all the energy they buy for their own needs; or
  - set for the transmission service users who are operators of distribution power systems, as  $E_{or}$ , calculated according to the formula:

$$E_{or} = E_{osr} + E_{okr}$$

where:

$E_{osr}$  – amount of electric energy taken off by special consumers connected to a distribution network, on a territory operated by a given distribution power system operator, [MWh];

$E_{okr}$  – amount of electric energy taken off by consumers other than special consumers, who all the energy they buy use for their own needs, who are connected to a distribution network, on a territory operated by a given distribution power system operator [MWh].

Energy consumed to cover needs of switching stations, and the energy classified as illegal take-off shall not be classified as energy for which the system rate is applied.

- 3.2.1.4 The accounting charge for the i-th transmission service user ( $O_{roi}$ ) is calculated according to the formula:

$$O_{roi} = S_{pr} \cdot E_{zi}$$

where:

$S_{pr}$  – accounting rate, [PLN/MWh];

$E_{zi}$  – amount of electric energy [MWh] presented in the hourly load schedules, submitted by the i-th transmission service user to the transmission system operator, in the given month; amount of energy in the hourly schedules submitted to the transmission system operator is the amount of energy approved for realisation by the transmission system operator, as specified in the sales agreements,



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- 3.2.1.5 The monthly transmission charge paid by the i-th producer of electric energy or the i-th supplier of electric energy from abroad ( $O_{pwim}$ ), is calculated according to the formula:

$$O_{pwim} = S_{pr} \cdot E_{wim}$$

where:

$S_{pr}$  – accounting rate, [PLN/MWh];

$E_{wim}$  – amount of electric energy [MWh] presented in the hourly load schedules, submitted by the i-th producer of electric energy supplier of electric energy from abroad to the transmission system operator, in the given month; amount of energy in the hourly schedules submitted to the transmission system operator is the amount of energy approved for realisation by the transmission system operator, as specified in the sales agreements.

- 3.2.1.6 Monthly transmission charge paid by the i-th enterprise involved in electric energy trade, which is not physically connected to the transmission grid, and submits to the transmission system operator hourly load schedules, for a given month ( $O_{pnim}$ ), is calculated according to the formula:

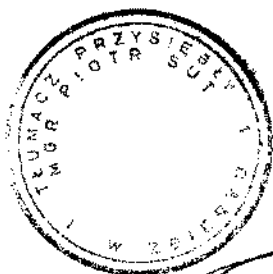
$$O_{pnim} = 0,5 \cdot S_{pr} \cdot (E_{snim} + E_{znim})$$

where:

$S_{pr}$  – accounting rate, [PLN/MWh];

$E_{snim}$  – amount of electric energy [MWh], defined as taken off in the hourly load schedules submitted to the transmission system operator in m-th month; amount of energy in the hourly schedules submitted to the transmission system operator is the amount of energy approved for realisation by the transmission system operator, as specified in the sales agreements.

$E_{znim}$  – amount of electric energy [MWh], defined as supplied in the hourly load schedules submitted to the transmission system operator in m-th month; amount of energy in the hourly schedules submitted to the transmission system operator is the amount of energy approved for realisation by the transmission system operator, as specified in the sales contracts.



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### **3.2.2. Calculation of monthly subscription fee**

The monthly subscription charge ( $O_{abi}$ ) is calculated according to the formula:

$$O_{abi} = S_{ab} \cdot I_{MD,i}$$

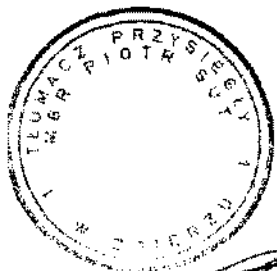
where:

$S_{ab}$  – subscription charge rate, [PLN/PoD/month],

$I_{MD,i}$  – number of PoD's of the i-th transmission service user, according to the Tables 1 and 2 presented respectively in clauses 5 and 6.

### **3.3. Rebates and discounts for failure to comply with electric energy quality standards and with customer service quality standards**

- 3.3.1. For making settlements of rebates and discounts for failure to comply with electric energy quality standards and for failure to comply with customer service quality standards, as well as charges for illegal energy take off as in question in clause 3.4, energy price in the net amount of 122 PLN/MWh is applied.
- 3.3.2. Rebates and discounts for failure to comply with electric energy quality standards and with customer service quality standards set forth in the agreement for providing transmission services or in the Tariff, are applied for the transmission service users upon their request.
- 3.3.3. PSE-Operator S.A. is obliged to consider a request for granting a discount within 30 days of the date of receiving such a request from the transmission service user.
- 3.3.4. For every unit of electric energy not delivered, a transmission service user is entitled to a rebate in the amount of five times the price of electric energy as mentioned in clause 3.3.1, for the period when the interruption occurred. The amount of energy not delivered on the date when the interruption occurred is determined on the basis of consumption of electric energy on the corresponding day of the previous week, taking into account time of permitted interruptions as stated in the connection agreement or in the agreement for providing transmission services.
- 3.3.5. The volume of rebate and discount for failure to maintain the voltage level during a given period of a day depends on the amount of deviation



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from the allowed limit values, and is calculated according to the following formulas:

- If the value of deviation of voltage from the allowed limit values does not exceed 10%, the transmission service user is entitled to receive a discount ( $W_{UT}$ ) calculated as:

$$W_{UT} = \left( \frac{U}{10\%} \right)^2 \cdot A_T \cdot C_T$$

where:

U – value of the voltage deviation from the allowed limit values [%];

$A_T$  – amount of electric energy delivered to the transmission service user during the given period of a day, expressed in energy units;

$C_T$  – price of electric energy determined according to clause 3.3.1 [PLN/MWh].

- 3.3.5.1. If the value of voltage deviation exceeds 10% of the allowed limit values, the transmission service user is entitled to receive a discount ( $W_{UT}$ ), including the rebate, in the total amount of:

$$W_{UT} = A_T \cdot C_T + b_{rT} \cdot t_T$$

where:

$W_{UT}$  – discount for the transmission service user for a given period of a day, [PLN];

$A_T$  – amount of electric energy supplied to the transmission service user during the given period of the day, when voltage deviation exceeded the limit values [MWh];

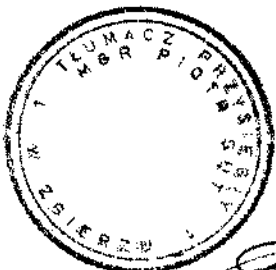
$C_T$  – price of electric energy determined according to clause 3.3.1 [PLN/MWh].

$b_{rT}$  – lump sum rate of compensation for not keeping the voltage level within allowable limits, expressed in PLN per time unit, equal to 100 PLN/h;

$t_T$  – total duration of the voltage level not being maintained within the allowable limits, [h].

- 3.3.6. In case of failure to comply with customer service quality standards, the users are entitled to get the following rebates:

- for failure to accept information or claims from a customer: PLN 15.81;



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- for unjustified delay in removing disturbances in supplying electric energy caused by improper network operation: PLN 75.91;
- for refusal to provide consumers, upon their request, with the information regarding expected time of resumption of electric energy supplies interrupted due to network failure: PLN 7.59;
- for failure to notify transmission services users connected to networks of nominal voltage level higher than 1 kV, in the form of individual notice — in writing, by telephone or another means of telecommunication, at least five days in advance about time and duration of planned interruptions in the electric energy supply: PLN 151.83;
- for failure to notify transmission services users connected to networks of nominal voltage level higher than 1 kV, about planned changes of settings in the automatic protection facilities and other parameters affecting the operational cooperation the network: PLN 75.91;
- for failure to notify transmission services users connected to networks of nominal voltage level higher than 1 kV at least three years in advance about the necessity to adjust their installations to changed, increased nominal voltage, higher level of short circuit power, and other parameters effecting network operation: PLN 151.83;
- for unjustified refusal to perform, at a charge, adequate actions in the network, in order to enable the transmission services users or other entities to perform works within the network: PLN 75.91;
- for failure to provide transmission services users on their request with information regarding the principles of settlement and tariffs in force: PLN 7.59;
- for exceeding the 14-day period for considering a transmission service user's application or claim regarding the principles of settlement and providing responses – for each day of delay: PLN 2.28.



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**3.4. Charges for illegal take off of electric energy**

- 3.4.1. In case of illegal take off of electric energy from the transmission grid without signing a agreement for providing transmission services, for each unit of electric energy taken off, PSE-Operator S.A. shall charge the entity with fees for electric energy illegally taken off, in the amount of five times the price of electric energy and transmission fee rates as stated in clause 3.3.1 and clause 4 of this Tariff. The charge carrier of the fixed network charge is capacity, determined as sum of nominal power of step down transformers reducing voltage levels from 400 kV and 220 kV to 110 kV, installed in point of the grid where illegal take-off occurred. Basis for calculating charges where the carrier is electric energy, is the lump sum amount of energy calculated by multiplying nominal capacity of the abovementioned transformers and time period when illegal took off occurred.
- 3.4.2. Feeding electric energy into the grid without signing agreement for providing transmission services, is considered and charged the same way as illegal take off, according to rules as in clause 3.4.1.
- 3.4.3. In case when a transmission service user takes off electric energy in breach of conditions of the transmission service agreement, for each unit of electric energy and active power thus taken off, PSE-Operator S.A. charges the transmission services user with fees in the amount of twice the price of electric energy and transmission fee rates stated respectively in clauses 3.3.1 and clause 4 of this Tariff. Charges are calculated for each month of electric energy being taken off in breach of the agreement. The basis for calculating charges is the actually measured amount of electric energy during the period when the illegal consumption occurred. The tariff carrier for the fixed component is the contractual power specified in the transmission service agreement.
- 3.4.4. Feeding electric energy into the grid in breach of conditions of the transmission service agreement, is considered and charged the same as illegal take off, according to rules as in clause 3.4.3.
- 3.4.5. Fees referred to in the clauses 3.4.1-3.4.4 are calculated for the entire substantiated period of electric energy take-up or feed-in not subject to time limitation.



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### **3.5. Principles of calculating charges for connecting to the network**

3.5.1 Connecting to the grid is performed on the basis of the connection agreement.

3.5.2 The charge for connecting to the transmission grid is determined individually, on the grounds of real capital outlays necessary to connect the subject to the transmission grid. The capital outlays are determined in the agreement for connecting to the transmission grid.

3.5.3 Capital outlays are specified in the connection agreement and encompass in particular purchase and installing primary equipment (lines, transformers, devices of the switching stations), secondary equipment, protection devices, technical design and land survey works, clearance of documentation, obtaining construction permits, and fees relating to the occupation of land and providing general infrastructure.

3.5.4 For entities which do not have their own generation units, charges for connection to the grid are calculated as follows:

- If constructing the connection site or constructing or development of existing network in a scope necessary to connect the entity to the transmission grid is included in the development plan, the connection charge is calculated on the basis of one fourth of the actual capital outlays necessary to connect the entity to the transmission grid.
- If constructing the connection site or constructing or development of existing network in a scope necessary to connect the entity to the transmission grid is not included in the development plan, the connection charge is calculated on the basis of actual capital outlays necessary to connect the entity to the transmission grid on terms specified in the connection agreement.

3.5.5 For entities which have their own generation units, the charge for connecting to the transmission grid is determined individually, on the basis of real capital outlays necessary to connect the entity to the transmission grid, on terms specified in the connection agreement.

3.5.6 PSE-Operator S.A. collects the fee for issuing conditions of connecting to the transmission grid at the moment of issuing the

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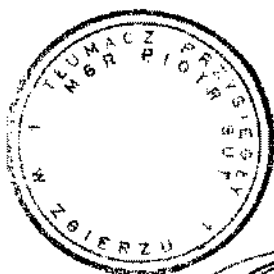
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conditions of connecting to the transmission grid. Such a fee equals 10 % of the connection charge determined as in clauses 3.5.4 and 3.5.5.

- 3.5.7 The signing of the connection agreement constitutes the grounds for commencing the performance of engineering design works, as well as erection and construction works, and their financing by the parties pursuant to the rules set forth in that agreement (including provision of financial guarantees, as required by PSE-Operator S.A, by the entity to be connected to the grid.).
- 3.5.8 In case of completing the connection to the transmission grid according to the connection conditions issued by PSE-Operator S.A., the fee mentioned in clause 3.5.6 is credited towards the connection charge.
- 3.5.9 In case an entity renounces signing of the connection agreement after conditions of connecting to the transmission grid are issued, that entity is reimbursed for the fee already paid, decreased by the costs incurred by PSE-Operator S.A. in considering the connection application.



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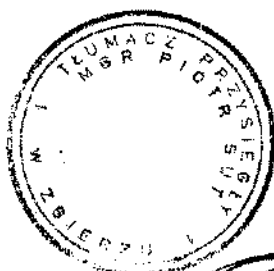
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**4. TRANSMISSION RATES**

Rate	Symbol	Net	Unit
Fixed component of the network rate	$S_{svn}$	83,943.66	PLN/MW/year
Variable component of the network rate	$S_{zvn}$	3.45	PLN/MWh
System rate	$S_{os}$	40.46	PLN/MWh
<i>Quality factor of the system rate</i>	$S_{oSJ}$	11.74	PLN/MWh
<i>Equalising factor of the system rate</i>	$S_{oS\bar{W}}$	28.72	PLN/MWh
Accounting rate	$S_{pr}$	0.30	PLN/MWh
Subscription charge rate	$S_{ab}$	4,092.24	PLN/PoD/m-c



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**5. LIST AND CODES OF TRANSMISSION SERVICE USERS**

**Table No. 1.** List and codes of transmission service users

User's Code	Name of transmission service user
D01	STOEN SA
D02	ZAKŁAD ENERGETYCZNY WARSZAWA TEREN SA
D03	ŁÓDZKI ZAKŁAD ENERGETYCZNY SA
D04	ZAKŁAD ENERGETYCZNY ŁÓDZ TEREN SA
D05	ZAKŁAD ENERGETYCZNY PŁOCK SA
D06	ZAKŁAD ENERGETYCZNY BIAŁYSTOK SA
D07	LUBELSKIE ZAKŁADY ENERGETYCZNE „LUBZEL” SA
D08	ZAMOJSKA KORPORACJA ENERGETYCZNA SA
D09	RZESZOWSKI ZAKŁAD ENERGETYCZNY SA
D10	ZAKŁADY ENERGETYCZNE OKRĘGU RADOMSKO-KIELECKIEGO S.A.
D13	GÓRNOŚLĄSKI ZAKŁAD ELEKTROENERGETYCZNY SA
D16	ENION SA
D18	ENERGETYKA KALISKA SA
D20	ENERGIAPRO KONCERN ENERGETYCZNY SA
D22	ENEA S.A.
D27	ELBLĄSKIE ZAKŁADY ENERGETYCZNE SA
D28	ZAKŁAD ENERGETYCZNY TORUŃ S.A.
D30	ZAKŁAD ENERGETYCZNY SŁUPSK S.A.
D31	GDĄSKA KOMPANIA ENERGETYCZNA SA
D32	ZAKŁAD ENERGETYCZNY SA W OLSZTYNIE
D33	ZAKŁAD ENERGETYCZNY KOSZALIN S.A.
D34	Huta Stali Częstochowa Sp. z o.o.
D35	CMC „Zawiercie” S.A.
D36	Koksownia „PRZYJAŹN” Sp. z o.o.
D00	Przedsiębiorstwo obrotu energią elektryczną
W00	Wytwórca energii elektrycznej
I00	Dostawca energii elektrycznej z zagranicy

Within the meaning of the Tariff, the users of transmission services marked by the codes D01 to D33 are deemed to be distribution system operators.



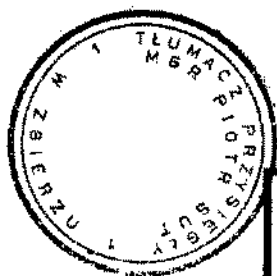
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**6. POINTS OF DELIVERY OF ELECTRIC ENERGY FROM TRANSMISSION GRID**

Figure 1 Points of delivery of entities taking advantage of transmission services rendered by PSE-Operator S.A.



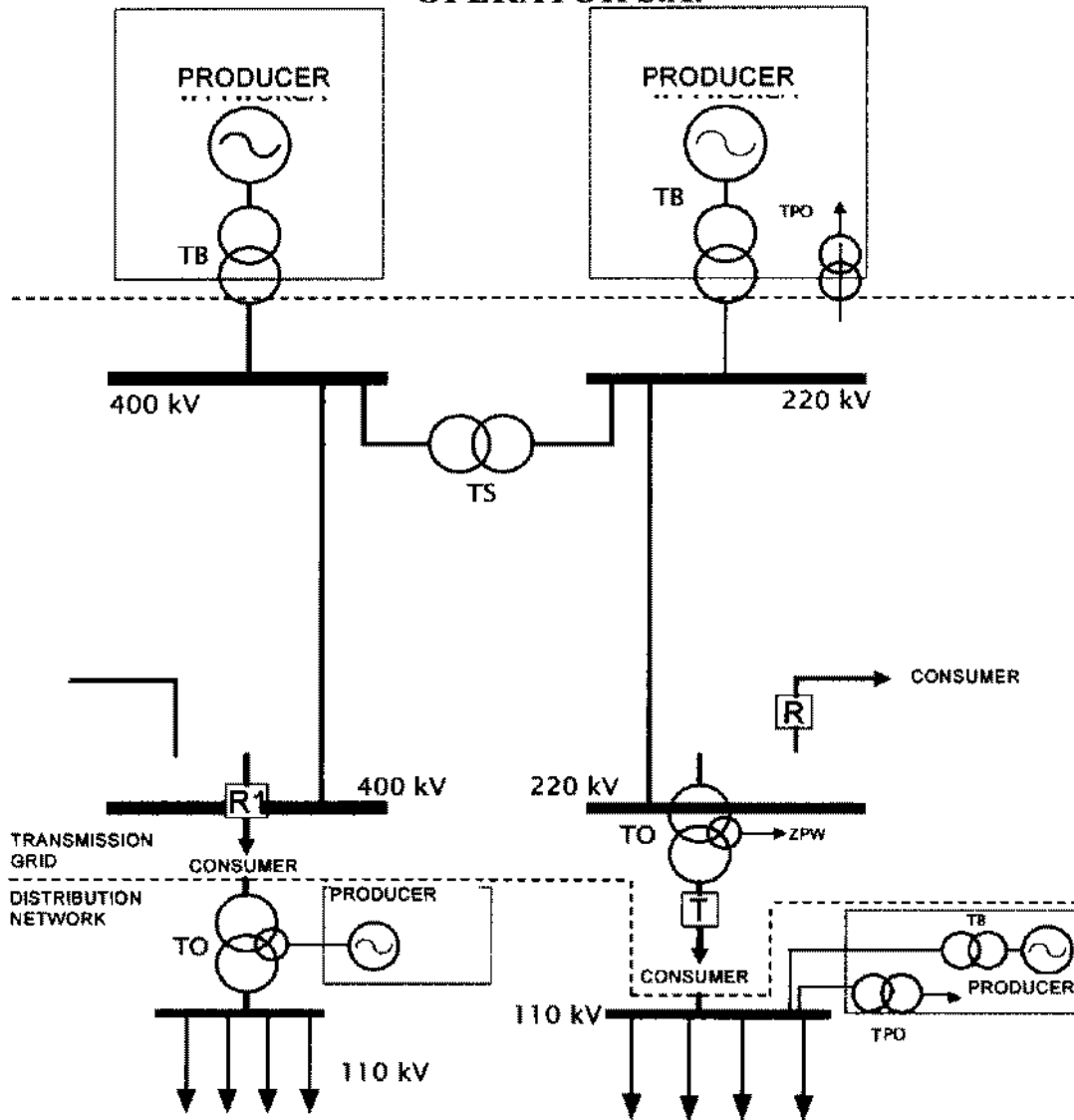
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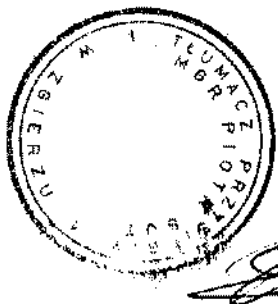
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Figure 1

**POINTS OF DELIVERY OF ELECTRICAL ENERGY FOR  
USERS OF TRANSMISSION SERVICES RENDERED BY PSE  
- OPERATOR S.A.**



**LEGEND:**  
R, R1, T – POINTS OF SUPPLY OF ELECTRICAL ENERGY FROM THE TRANSMISSION GRID  
TB – POWER UNIT TRANSFORMER  
TS – INTERBUSBAR TRANSFORMER  
TO – COLLECTOR TRANSFORMER  
TPO – TRANSFORMER FOR PRODUCER'S AUXILIARIES  
ZPW – STATION AUXILIARIES POWER SUPPLY



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**Table No. 2.** Points of delivery of electric energy from the transmission grid (PoD) assigned to transmission service users

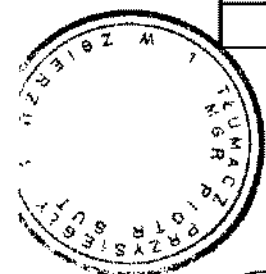
User's code	Node Name	Type of PoD
D01	Mory	T
D01	Mory (Towarowa)	R
D01	Mościska	T
D02	Piaseczno	T
D02	Ostrołęka	R1
D02	Miłosna	T
D03	Pabianice	T
D03	Janów	T
D03	Zgierz	T
D04	Piotrków	T
D04	Sochaczew	T
D04	Rogowiec	R
D04	Trębaczew	T
D05	Płock	T
D05	Podolszyce	T
D06	Elk	T
D06	Narew	T
D07	Abramowice	T
D07	Lublin	T
D07	Puławy	R1
D08	Zamość	T
D08	Mokre	T
D08	Chełm	T
D09	Rzeszów	T
D09	Boguchwała	T
D09	Połaniec	T
D09	Chmielów	T
D09	Stalowa Wola	R1
D09	Krosno Iskrzynia	T
D10	Kozienice	T
D10	Rożki	T
D10	Kielce Piaski	T
D10	Radkowice	T

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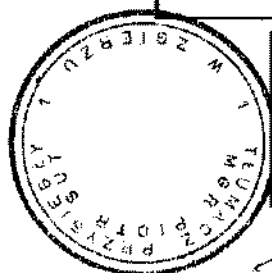
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<b>User's code</b>	<b>Node Name</b>	<b>Type of PoD</b>
D10	Ostrowiec	T
D13	Kopanina	T
D13	Halemba	R1
D13	Moszczenica	T
D13	Bieruń	T
D13	Wielopole	T
D13	Katowice	T
D13	Rokitnica	T
D13	Czczot	R1
D16	Wrzosowa	T
D16	Aniołów	T
D16	Komorowice	T
D16	Poreba	T
D16	Tuczna	T
D16	Jamki	T
D16	Łagisza	T
D16	Łośnice	T
D16	Siersza	R1
D16	Lubocza	T
D16	Wanda	T
D16	Skawina	R1
D16	Klikowa	T
D16	Klikowa	R
D16	Tarnów	T
D18	Pałnów	T
D18	Adamów	T
D18	Konin	R1 (T)
D18	Ostrów	T
D20	Groszowice	T
D20	Blachownia	R1
D20	Kędzierzyn	R1
D20	Dobrzeń	T
D20	Mikułowa	T
D20	Cieplice	T
D20	Pasikowice	T
D20	Klecina	T
D20	Świebodzice	T
D20	Boguszów	T

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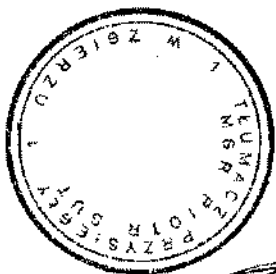
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<b>User's code</b>	<b>Node Name</b>	<b>Type of PoD</b>
D20	Ząbkowice	T
D20	Czarna	T
D20	Polkowice	T
D20	Żukowice	T
D22	Gorzów	T
D22	Plewiska	T
D22	Krzewina	T
D22	Czerwonak	T
D22	Poznań Południe	T
D22	Leszno	T
D22	Dolna Odra	R1
D22	Morzyczyn	T
D22	Glinki	T
D22	Leśniów	T
D22	Jasiniec	T
D22	Bydgoszcz Zachód	T
D22	Police	R1
D28	Włocławek Azoty	T
D28	Toruń Elana	T
D28	Grudziądz	T
D30	Żydowo	T
D30	Słupsk	T
D31	Gdańsk Błonia	T
D31	Żarnowiec	T
D31	Gdańsk	T
D32	Olsztyn Mątki	T
D32	Olsztyn	T
D33	Dunowo	T
D34	Huta Stali Częstochowa Sp. z o.o.	R1
D35	CMC „Zawiercie” S.A.	R1
D36	Koksownia „PRZYJAŹN” Sp. z o.o.	R1



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**7. PARTICIPATION FACTORS IN COVERING THE SYSTEM COSTS**

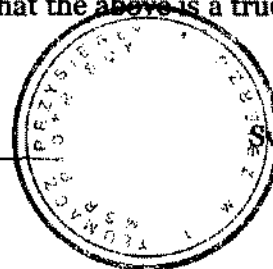
**Table No. 3.** Participation factors in covering the system costs

<b>Listing/User's code</b>	<b>Value of <math>k_{oi}</math> factor</b>
Special consumer	0.10000
Consumer using electric energy for its own needs	1.02614
D01	1.02614
D02	1.02614
D03	1.02614
D04	1.02614
D05	1.02614
D06	1.02614
D07	1.02614
D08	1.02614
D09	1.02614
D10	1.02614
D13	0.89255
D16	0.99692
D18	0.78748
D20	1.02614
D22	1.02614
D27	1.02614
D28	1.02614
D30	1.02614
D31	1.02614
D32	1.02614
D33	1.02614
D34	1.02614
D35	1.02614
D36	1.02614

END OF TRANSLATION

I, Piotr Sut, sworn translator of English, hereby certify that the above is a true translation of the original document in Polish.

Zgierz, January 12<sup>th</sup>, 2005



Sworn translator  
mgr Piotr Sut

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