



**Non-Binding Phase Notice
for
TAP AG's 2025 Market Test**

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1. INTRODUCTION

Trans Adriatic Pipeline AG (**TAP AG**) owns and operates the Trans Adriatic Pipeline (**TAP**) and provides transportation services of gas from the Turkish - Greek border via Greece, Albania and across the Adriatic Sea to Italy's southern Puglia region and enables further transportation to other European markets. Since its commercial operations date, TAP has been enhancing the security of supply and has enabled the diversification of gas supplies and routes to the European markets.

TAP AG's commercial and regulatory model foresees two phases of capacity development.

The first phase entailed the construction and allocation of capacity of up to 10 bcm/y (**Initial Capacity**) to facilitate the transportation of gas produced in the Caspian region. This has already been completed and TAP started commercial operations on 15 November 2020. The technical attributes of the pipeline design provide for the possibility of increasing TAP's capacity by up to an additional 10 bcm/y (**Expansion Capacity**), if economically feasible to do so. The Expansion Capacity can be implemented in one or more phases depending on market demand. By end February 2023, TAP had successfully signed long-term gas transportation agreements of approximately 1.2 bcma, underpinning a first level of TAP's Expansion.¹

Background

TAP AG obtained an exemption from the core provisions of Directive 2009/73/EC (**GD**) through the *European Commission's decision of 16.05.2013 on the exemption of the Trans Adriatic Pipeline from the requirements on third party access, tariff regulation and ownership unbundling laid down in Articles 9, 32, 41(6), 41(8) and 41(10) of Directive 2009/73/EC and the Final Joint Opinion of the Energy Regulators² on TAP AG's exemption application of 6.6.2013 (FJO)* subject to certain conditions. More specifically, TAP AG is exempted from ownership unbundling (but subject to the ITO unbundling model), from regulated tariffs for both its forward Initial Capacity and Expansion Capacity and from third party access provisions (**TPA**) for its forward Initial Capacity for a period of 25 years³.

Pursuant to the FJO, TAP AG is required to perform a Market Test at least every two years, starting no later than its commercial operations date.⁴ The manner in which TAP AG will conduct its 2025 Market Test is set out in the *Guidelines for the 2025 Market Test of Trans Adriatic Pipeline (Guidelines)*, which reflect TAP's specific regulatory regime. The Guidelines seek to align the application to TAP of the FJO provisions and TAP's Tariff Code with EU Regulation 2017/459 establishing a network code on Capacity Allocation Mechanisms in gas transmission systems (**CAM NC**) to the extent those do not conflict with the FJO and TAP's specific regulatory regime.⁵

¹ <https://www.tap-ag.com/shippers/market-tests#phase-one-downloads-14394>

² The Italian ARERA, Greek RAE and Albanian ERE (**Authorities**).

³ Such exemption continues to apply, as also set out in recital 102 of Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (recast).

⁴ FJO, section 4.1.7.

⁵ We do note the General Court (GC) of the European Court of Justice's ruling in T-684/19 and T 704/19 *MEKH v. ACER and FGSZ v. ACER*, judgment of 16 March 2022, ECLI:EU:T:2022:138 on Chapter V of CAM NC: The General Court declares inapplicable the provisions of Regulation 2017/459 relating to the process for the creation of incremental capacity for gas transmission <https://curia.europa.eu/jcms/upload/docs/application/pdf/2022-03/cp220046en.pdf>

2. MARKET TEST PHASES AND INDICATIVE TIMELINE

Building on the Guidelines, this Non-Binding Phase Notice is intended to inform Interested Parties on the steps to be followed for valid registration and participation in the Non-Binding Phase.

TAP AG's 2025 Market Test is structured in two main phases:

1. Non-Binding Phase, which includes the Demand Assessment Phase and Coordinated Design Phase;
2. Binding Phase, which includes the Information Phase and the Binding Bidding Phase.⁶

The Market Test is intended to be performed according to the following indicative **timetable**:

TAP AG launches Non-Binding Phase	7th July 2025
TAP AG to have received the <i>Registration and Non-Binding Demand Indication Form</i> with any further information required by that form and proof of payment of participation fee, as well as, where needed, <i>Confidentiality Agreement</i> , in the form annexed to the Guidelines, from the Interested Parties.	7 th July – 1 September 2025 ⁷
Revision Window of the Non-Binding Demand Indication Form sent to TAP	2 weeks. Interested Parties will be informed of the precise deadline for such revision with at least two weeks' notice. ^{8 9}
TAP AG and Adjacent TSOs publish demand assessment reports (DAR)	Expected timing end January 2026. The precise timing depends on the publication of any capacity allocation under the Binding Phase of the 2023 Market Test. Such publication would also include a situation where TAP informs the market that no binding bids or no registrations for the Binding Bidding Phase of the 2023 Market Test have been received.

⁶ Please note that definitions used in this document are defined in the Guidelines (Section 2).

⁷ TAP reserves its right to accept non-binding demand indications sent after the 8 weeks deadline. In addition, **all interested parties participating in the non-binding phase will be given the opportunity** to revise their non-binding demand indications for at least 2 (two) weeks after the publication of the results of capacity allocation for the 2023 Market Test, as indicated in Section 1.2 "Market Test" of the Guidelines.

⁸ Note that for Interconnection Points which are not offered for booking in the Binding Phase of the 2023 Market Test, the Demand Assessment Report(s) may also be issued separately at an earlier stage, and without a window to revise Non-Binding Demand Indications for such Interconnection Point.

⁹ See Section 1.2 of Guidelines for the 2025 Market Test.

Start of Coordinated Design Phase	Immediately after the publication of a DAR including a decision to proceed
TAP AG and Adjacent TSOs publish draft Project Proposal for public consultation.	TBD (no later than 12 weeks after the start of the coordinated design phase)
Following public consultation, TAP AG coordinates with Adjacent TSOs to submit draft Project Proposal for the approval of the Authorities.	TBD
Authorities evaluate the draft Project Proposal and publish coordinated decisions.	TBD

3. PARTICIPATION FEE

As a condition to participate in TAP AG's Market Test, a Participation Fee of 10 000 EURO (ex VAT) must be transferred to the following account, stating the reference 'Participation Fee for TAP's 2025 Market Test – [insert Company Name]'.

Bank Account Holder: Trans Adriatic Pipeline AG

Bank Name: MUFG Bank, Ltd.

Branch Name: London Branch

Bank Address: MUFG Bank, Ltd.
Ropemaker Place
25 Ropemaker Street

London, EC2Y 9AN
UK

IBAN: GB12BOTK60010900119834

SWIFT: BOTKGB2L

Account Number: 119834

Currency: EUR

Sort Code: 60-01-09

The Participation Fee shall be reimbursed to each Interested Party if the Market Test results in the installation of at least one additional compressor unit in TAP, following a successful Economic Viability Test and execution of at least one Gas Transportation Agreement for Forward Firm Long-Term Capacity with any user, whether or not the GTA is entered into with the Interested Party who made the request. Failure to pay the Participation Fee by the Interested Party may result in TAP disregarding any non-binding Capacity Requests or non-binding Connection Requests made by that Interested Party.

4. How to Participate in the Non-Binding Phase

4.1 Submission of non-binding Capacity and Connection Requests

Through this Non-Binding Phase Notice, TAP invites Interested Parties to submit non-binding Capacity Requests and/or non-binding Connection Requests to TAP AG, as per the Guidelines and this Non-Binding Phase Notice.

To make a submission during the Non-Binding Phase, an Interested Party must complete the Registration and Non-Binding Demand Indication Form (as published on TAP's website) that must contain as a minimum the following information:

- i. the type of request(s):
 - a. non-binding Capacity Request(s) at TAP's already defined entry and/or exit points.
 - b. non-binding Connection Request for building an additional entry and/or exit point in Greece.
 - c. non-binding Connection Request for increasing the technical capacity of an existing and/or building an additional entry and exit point in Albania.

Please note that only Capacity Requests for Forward Firm Long-Term capacity shall be considered in the design of the Incremental Capacity Project of TAP. According to TAP's regulatory framework, Commercial Reverse Capacity cannot lead to any investment underpinning the realization of incremental capacity. (TAP offers Commercial Reverse Capacity according to the TAP Network Code on the PRISMA capacity booking platform.)

For non-binding Capacity requests:

- ii. the start and end dates for which a demand for incremental capacity is expressed.
- iii. the amount of capacity requested.
- iv. information on non-binding demand indications which were or will be submitted to other TSOs, in case such indications are linked to each other.
- v. indication whether the Non-Binding Demand Indication is subject to any condition in relation to points i-iv above, including being a Linked Request.

For information, the current list of IPs, as well as points subject to non-binding Connection Requests are shown in the table below:

Country	Existing IPs	Requested connections	Direction
Greece	Kipoi		Entry TAP
	Komotini		Exit TAP
	Nea Mesimvria		Entry/Exit TAP
Albania		Korca	Exit TAP

		Roskovec	Exit TAP
Italy	Melendugno		Exit TAP

4.2 Procedural details for the submission

All Interested Parties are invited to show their interest by filling out the **Registration and Non-Binding Demand Indication Form** (Appendix A to the Guidelines) and returning it to TAP AG via email to market.test@tap-ag.com, no later than **1 September 2025**.¹⁰ This form must be accompanied by the following mandatory documentation:

- a) Two signed copies of the Confidentiality Agreement (Appendix B to the Guidelines). This document is not required, if the Interested Party has already signed a Confidentiality Agreement with TAP AG covering also the purposes of this Market test; and
- b) Proof of Participation Fee payment.

TAP reserves its right to accept Non-Binding Demand Indications sent after the 8 weeks deadline.

Should the submission only refer to a non-Binding Connection Request, then TAP is open to accept such request throughout the Market Test, in line with the provisions of the Guidelines.¹¹

Upon receipt of the *Registration and Non-Binding Demand Indication Form*, TAP will either:

- confirm the completeness of the documentation received and the registration of the Interested Party in the Non-Binding Phase, or
- if the documentation is incorrect or incomplete, will notify the Interested Party of the incorrect or incomplete mandatory documentation. It is in TAP AG's sole discretion to accept the (re)submission of relevant documentation mentioned herein.
- Should the Registration and Non-Binding Demand Indication Form only comprise information on a non-Binding Connection Request, the response will include a requirement for commitments from the Interested Party to cover the costs incurred by TAP in investigating, developing and operating such points.¹² Such commitments would need to be formalised between the Interested Party and TAP before TAP commences any work related to the Connection Requests.

Please note that a submission of a Non-Binding Demand Indication Form to TAP does not bind Interested Parties to make any binding Capacity Requests or binding Connection Requests during the Binding Phase of the 2025 Market Test.

¹⁰ As per the CAM NC, TAP reserves its rights to accept non-binding demand indications sent after the 8 weeks deadline.

¹¹ Please refer to Section 3 and 5 of the Guidelines for more details on the timing for the submission of the non-binding Connection Requests.

¹² Note that the FJO only obliges TAP to facilitate entry and/or exit points and not any other downstream infrastructure or spur lines, etc.

Importantly, participation in the Non-Binding Phase is not a prerequisite for Interested Parties to participate in the Binding Phase of TAP AG's 2025 Market Test.

It is the responsibility of the Interested Party who submits the Non-Binding Demand Indications to TAP to submit any corresponding Non-Binding Demand Indications to relevant Adjacent TSOs. In case of TAP's entry point at Kipoi, it is the responsibility of the Interested Party to initiate any procedures that may be necessary for capacity to be made available at the non-EU side of the interconnection point.

For the submission of Non-Binding Demand Indications at TAP's interconnection points with adjacent TSOs, Interested Parties are encouraged to follow the incremental capacity processes of SRG, DESFA and ICGB, as indicated on their websites.

4.3 Revision of the Non-Binding Demand Indications

Opening of the 2025 Market Test in July 2025 leads to an overlap between the Non-Binding Phase of the 2025 Market Test and the Binding Phase of the 2023 Market Test.

The indicative timeline of the 2025 Market Test included in the Guidelines and this Non-Binding Phase Notice intends to mitigate any potential negative consequences of the overlapping market tests by finalizing the DAR only after any capacity allocation in the Binding Phase of the 2023 Market Test has taken place.

Once the results from the Binding Phase of the 2023 Market Test have been published, TAP, in coordination with SRG and DESFA, will give the opportunity to all interested parties participating in the Non-Binding Phase to revise their Non-Binding Demand Indications. For Entry and Exit points not offered for booking in the Binding Phase of the 2023 Market Test, TAP reserves the right to publish a DAR earlier.

In this way, TAP envisages to ensure that the Coordinated Design Phase is specifically tailored for remaining non-binding demand for incremental capacity, after capacity has been allocated in the Binding Phase of the 2023 Market Test. When published, if the DAR identifies demand for incremental capacity projects, the DAR will contain a decision on starting the Coordinated Design Phase for the 2025 Market Test.

A revision process will be conducted during the Revision Window¹³ Information via email will be sent to the Interested Parties participating in the Non-Binding Phase.

The revision will be done via the submission of the Revision Form of the Non-Binding Demand Indication (Appendix 1 to the Registration and Non-Binding Demand Indication Form).

Should TAP not receive a Revision Form, TAP will consider that the information from the initial Registration and Non-Binding Demand Indication Form remains applicable.

The revision process will not necessitate re-payment of another Participation Fee.

¹³ Specific timeline to be announced on TAP's website when decided.

TAP AG reserves the right to exclude an Interested Party from any participation in the Market Test if it does not submit duly completed documentation by the time required or a later deadline agreed by TAP AG at its sole discretion.

All submitted documentation must be in English and duly signed by the authorized representative of the Interested Party.

TAP AG will evaluate all valid responses to this Non-Binding Phase Notice and will coordinate with the Adjacent TSOs to publish a Demand Assessment Report(s). For the 2025 Market Test, the Guidelines and this Notice incorporate timeline flexibility to avoid interference from the Binding Phase of the 2023 Market Test, as set out in further detail at Section 1.2 “Market Test” of the Guidelines for the 2025 Market Test.

This Non-Binding Phase Notice for the Non-Binding Phase of TAP AG’s 2025 Market Test and any non-contractual obligations arising out of or in connection with it are governed by English law. Any dispute arising out of or in connection with this Non-Binding Phase Notice, shall be exclusively and finally settled under the Rules of Arbitration of the International Chamber of Commerce as in force on the date on which the request for arbitration is filed in accordance with those Rules (the Rules). The number of arbitrators shall be three (3), appointed in accordance with the Rules. The seat or legal place of arbitration shall be Vienna. The language used in the arbitral proceedings shall be English. All documents submitted in connection with the proceedings shall be in the English language, or, if in another language, accompanied by an English translation.

Any clarification questions in relation to this document and TAP AG’s 2025 Market Test should be sent via email to:

market.test@tap-ag.com

5. EXCLUSION FROM THE NON-BINDING PHASE

TAP AG reserves its right to exclude an Interested Party from participation in the Non-Binding Phase if:

- a) Documentation as mentioned in Section 4 above is missing or is incomplete or relevant deadlines set herein, in the Guidelines (including appendices), in the applicable legislation or established between TAP AG and the Interested Party in accordance with the Guidelines, this document or applicable law have not been respected by the Interested Party, or
- b) The authorized signatory of the documents has been convicted for being a member of a criminal organisation or has been convicted for offences of fraud, bribery, corruption, or money laundering, or
- c) The Interested Party has been declared bankrupt or is currently subject to any form of insolvency proceeding, or
- d) The Interested Party or any of its affiliates is listed on any applicable list of sanctioned entities or is otherwise a target of applicable sanctions (and is not exempted) or TAP AG would be subject to criminal or civil liability under, or for non-compliance with, sanctions applicable to TAP AG as a result of its relationship with the Interested Party.

6. DISCLAIMER

Any costs incurred by an Interested Party in connection with the Non-Binding Phase shall be borne solely by the Interested Party. The publication of this document or the acceptance by TAP AG of a completed *Registration and Non-Binding Demand Indication Form* do not constitute an offer by TAP AG to conclude any form of contract with the Interested Party, nor does it constitute an invitation to conclude any such contract.

Nothing in this Non-Binding Phase Notice is intended to create or give rise to any cause of action or right of claim between TAP AG and the Interested Party. No rights may be derived from the contents of this publication to any third party. The terms of this Non-Binding Phase Notice do not constitute an offer capable of becoming a contract by acceptance.

TAP has acted in good faith to ensure that the information in this Non-Binding Phase Notice is correct as at the date of this Non-Binding Phase Notice, however no representation or warranty is made by TAP AG as to the accuracy or completeness of such information and TAP AG will not accept any liability, of any kind, for any inaccuracies or incompleteness in such information. Furthermore, TAP shall have no obligation to update this Non-Binding Phase Notice for any changes arising after the date of issue of this Non-Binding Phase Notice. Nonetheless, if new or revised information is provided in this Non-Binding Phase Notice, TAP AG shall have no liability to any third party. TAP AG assumes no liability in contract or in tort or breach of statutory duty or otherwise for or in respect of any loss or damage howsoever arising in respect of or in connection with the information contained in, referred to in or supplied with this Non-Binding Phase Notice.

Information labelled 'Confidential' by the Interested Party in the documentation submitted will be treated as such by TAP AG.

In addition, TAP AG will disclose to the Authorities all information required to be disclosed under the Guidelines and any applicable law or governmental order, decree, regulation or rule irrespective of whether the information was labelled 'Confidential' or not. By filling out the documentation required for the Non-Binding Phase, each Interested Party agrees that all the documents submitted by it, including all information from the application, including information labelled as 'Confidential' can be shared by TAP AG with the Authorities and Adjacent TSOs for assessing the demand for Expansion Capacity at the interconnection points with Adjacent TSOs and/or assessing the increase of the technical capacity of an existing entry/exit or new entry/exit points.