

**SPECIFICATION OF THE
BALTIC-FINNISH GAS SPOT
INDEX FOR DAY-AHEAD
PRODUCT (BGS-DA)**

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1. GENERAL PROVISIONS

- 1.1. The Specification of UAB GET Baltic (hereinafter - the Company) Baltic-Finnish Gas Spot Index for Day-ahead Product (BGSID-DA) (hereinafter - the Specification) shall lay down the principles of BGSID-DA calculation and the publication procedure.
- 1.2. BGSID-DA shall be calculated based on a transparent and reliable daily market exchange trades. It shall enable market participants to monitor short-term natural gas price developments in the Baltics and Finland.
- 1.3. The purpose of the Specification is to define the principles and procedure of BGSID-DA classification, calculation, publication and to determine the procedure for reviewing the Specification.
- 1.4. The Specification shall be binding on the employees of the Company whose functions are related to the calculation and publication of BGSID-DA.

2. CLASSIFICATION OF BGSID-DA

- 2.1. BGSID-DA is classified by the time of delivery and the place of concluded transactions in the daily market.
- 2.2. BGSID-DA values for each day and month are distinguished.
 - 2.2.1. Daily value of BGSID-DA identifies the daily market day-ahead product transactions index value for a specific delivery day.
 - 2.2.2. Monthly value of BGSID-DA identifies the daily market day-ahead product transactions index value for a specific delivery month.
- 2.3. BGSID-DA value is distinguished as common value of the Baltic-Finnish Gas Exchange and as separate values of each market area BGSID-DA^{Lithuania}, BGSID-DA^{Latvia-Estonia}, BGSID-DA^{Finland}.
 - 2.3.1. BGSID-DA value of the Baltic-Finnish Gas Exchange is determined as common value of all Baltic countries and Finland, evaluating day-ahead product transactions concluded in Lithuanian, common Latvian-Estonian and Finnish market areas.
 - 2.3.2. BGSID-DA^{Lithuania} value is determined by evaluating day-ahead product transactions concluded in Lithuanian market area.
 - 2.3.3. BGSID-DA^{Latvia-Estonia} value is determined by evaluating day-ahead product transactions concluded in common Latvian-Estonian market area.
 - 2.3.4. BGSID-DA^{Finland} value is determined by evaluating day-ahead product transactions concluded in Finnish market area.

3. METHODOLOGY OF BGSID-DA CALCULATION

- 3.1. Daily BGSID-DA value is determined as a volume weighted average price of all day-ahead product buy and sell trades executed in the daily market in all three market areas for the particular delivery day.
- 3.2. Monthly BGSID-DA value is determined as a volume weighted average price of all day-ahead product buy and sell trades executed in the daily market in all three market areas for the particular delivery month.

- 3.3. The volume weighted average price is calculated by adding up all buy volumes multiplied by the transaction price and sell volumes multiplied by the transaction price and then dividing by the total amount of all buy and sell trades:

$$BGS\text{I} - DA = \frac{\sum (Price_{B-DA} \times Quantity_{B-DA} + Price_{S-DA} \times Quantity_{S-DA})}{\sum Quantity_{BS-DA}}$$

Price B-DA – buy price of the day-ahead trade
 Quantity B-DA – buy volume of the day-ahead trade
 Price S-DA – sell price of the day-ahead trade
 Quantity S-DA – sell volume of the day-ahead trade
 Quantity BS-DA – total amount of day-ahead sell and buy trades

- 3.4. The BGS-DA values for the different market areas in Lithuania, common Latvian-Estonian market area, Finland are calculated by including only one side of the trade (either buy or sell side). In the event of a cross-border trade, the party to the trade whose order was placed on the market area for which the volume weighted average price is calculated shall be taken.

- 3.4.1. BGS-DA for Lithuanian market area is calculated by adding up all day-ahead buy or sell volumes multiplied by the transaction price and then dividing by the total amount of day-ahead buy or sell trades accordingly:

$$BGS\text{I} - DA_{Lithuania} = \frac{\sum (Price_{LT-DA} \times Quantity_{LT-DA})}{Quantity_{LT-DA}}$$

Price LT-DA – buy or sell price of the day-ahead trade
 Quantity LT-DA – buy or sell volume of the day-ahead trade

- 3.4.2. BGS-DA for common Latvian-Estonian market area is calculated by adding up all day-ahead buy or sell volumes multiplied by the transaction price and then dividing by the total amount of day-ahead buy or sell trades accordingly:

$$BGS\text{I} - DA_{Latvia-Estonia} = \frac{\sum (Price_{LV-EE-DA} \times Quantity_{LV-EE-DA})}{Quantity_{LV-EE-DA}}$$

Price LV-EE-DA – buy or sell price of the day-ahead trade
 Quantity LV-EE-DA – buy or sell volume of the day-ahead trade

- 3.4.3. BGS-DA for Finnish market area is calculated by adding up all day-ahead buy or sell volumes multiplied by the transaction price and then dividing by the total amount of day-ahead buy or sell trades accordingly:

$$BGS\text{I} - DA_{Finland} = \frac{\sum (Price_{FI-DA} \times Quantity_{FI-DA})}{Quantity_{FI-DA}}$$

Price FI-DA – buy or sell price of the day-ahead trade
 Quantity FI-DA – buy or sell volume of the day-ahead trade

4. PUBLICATION OF THE INDEX

- 4.1. Index is calculated and published in euros, VAT excluded.
- 4.2. Daily values of BGSi-DA as well as daily BGSi-DA values of separate market areas are published and updated every 10 minutes on the Company's website: <https://www.getbaltic.com/en/market-data/trading-data>.
- 4.3. Monthly values of BGSi-DA as well as monthly BGSi-DA values of separate market areas are published and updated on the first day of the month at 14:00 (EET is used in winter time and EEST in summer time) on the Company's website: <https://www.getbaltic.com/en/market-data/trading-data/>.

5. REVIEW OF THE SPECIFICATION

- 5.1. In case of major changes in market size, number of market areas, inclusion of new products or removal of currently traded products from trading and/or in case of appearance of other factors that could affect the index's ability to reflect the actual market situation and the price of natural gas, the Company would initiate amendment of the Specification. The Company will inform about any amendments of the Specification by publishing the information on its website in advance.

6. FINAL PROVISIONS

- 6.1. The principles set out in the Specification shall be applied when calculating index for the periods from 1 May 2021.
 - 6.2. The Specification may be amended, supplemented or repealed by the order of Chief Executive Officer of the Company.
 - 6.3. The Company publishes the amendments to the Specification publicly on its website immediately after the relevant decision has been adopted.
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