

# Definitions and Abbreviations

in PLN thousand

<b>bcm</b>	billion cubic metres	<b>ERP</b>	Exploration and Production – one of PGNiG's segments of operation; the companies operating in this segment are engaged in exploration, geophysical and geological work; the segment also involves production of natural gas and crude oil.	<b>OGP GAZ-SYSTEM</b>	abbreviated name of Operator Gazociągów Przesyłowych GAZ-SYSTEM SA (Transmission System Operator OGP GAZ-SYSTEM SA). The company was established on April 16th 2004 under the name PGNiG Przesył Sp. z o.o. as a wholly-owned subsidiary of PGNiG. On April 28th 2005, 100% of the company shares were acquired by the State Treasury. Currently, OGP GAZ-SYSTEM conducts business activities of a gas transmission system operator under a licence issued by the Energy Regulatory Office.	<b>Transmission network</b>	a gas network of low, medium and high pressure, other than a mine pipeline or a direct pipeline; the responsibility for network traffic rests with a transmission system operator.
<b>Central Asian countries</b>	Kazakhstan, Uzbekistan and Turkmenistan.	<b>ERO</b>	Energy Regulatory Office. Under the relevant regulations, the President of ERO is responsible for approving the tariffs submitted by holders of licences which authorise them to conduct business involving trade in and storage of gaseous fuels.	<b>PGNiG</b>	Polskie Górnictwo Naftowe i Gazownictwo SA (Polish Oil and Gas Company SA).	<b>TSO Transmission system operator</b>	an energy company involved in the transmission of gaseous fuels, responsible for network traffic in the gas transmission system, ongoing and long-term security of the system's operation, as well as operation, maintenance, repair and necessary extension of the transmission network, including interconnections with other gas systems.
<b>CNG</b>	fuel, compressed natural gas at a pressure of 20–25 MPa, used as vehicle fuel for spark ignition and compression ignition engines.	<b>Gasoline</b>	mixture of hydrocarbons of low molecular weight, emitted by wet natural gas and refinery gases, among other things, used as solvent and petrol additive.	<b>PGNiG Group</b>	the PGNiG Group.	<b>UGS</b>	underground gas storage. The PGNiG Group is the exclusive owner of underground gas storage facilities operated domestically. Six such facilities are in Poland – five of them located in worked out natural gas caverns, and the sixth one in a salt cavern in Mogilno.
<b>Direct gas pipeline</b>	the gas pipeline used for transmission of gaseous fuel directly to the customer's installation, omitting the gas system.	<b>KGZ</b>	natural gas mine.	<b>REACH (Registration, Evaluation and Authorisation of Chemicals)</b>	regulation adopted by the Council and the European Parliament concerning the safe use of chemicals which are subject to registration, evaluation, and, in some cases, to authorisation and restrictions as far as trading and the range of applications is concerned. The regulation has been implemented in the EU member states, Norway, Iceland and Liechtenstein. The implementation of REACH is supervised by the European Chemicals Agency based in Helsinki.	<b>Yamal Contract</b>	contract for purchase of Russian natural gas, concluded by PGNiG and Gazexport on September 25th 1996 in Warsaw.
<b>Distribution</b>	transport of gaseous fuels to customers via distribution networks.	<b>KRNiGZ</b>	crude oil and natural gas mine.	<b>SGT EuRoPol GAZ</b>	abbreviated name of System Gazociągów Tranzytowych EuRoPol GAZ SA. The company is responsible for natural gas transmission along the Polish section of the Yamal transit pipeline, connecting the Russian Federation with Western Europe.	<b>Yamal Pipeline</b>	transit gas pipeline between Russia and Western Europe, running through the territory of Poland and other countries.
<b>Distribution network</b>	a gas network of low, medium and high pressure, other than a mine pipeline or a direct pipeline; the responsibility for network traffic rests with a distribution system operator.	<b>LNG (Liquefied Natural Gas)</b>	natural gas in a liquid state with the temperature of – 163°C. During the liquefaction process, natural gas is cooled down to – 163°C, thus reducing its volume by 630 times.	<b>TPA (Third Party Access)</b>	right to free use of transmission services and free choice of a supplier.		
<b>DSO Distribution system operator</b>	an energy company involved in the distribution of gaseous fuels, responsible for network traffic in the gas distribution system, ongoing and long-term security of the system's operation, as well as operation, maintenance, repair and necessary extension of the distribution network, including interconnections with other gas systems in the relevant geographical area.	<b>mcm</b>	million cubic metres	<b>Transmission</b>	transportation of gaseous fuels through transmission networks to distribution networks or end customers connected to the transmission network.		
<b>Emissions trading</b>	instrument of environmental protection policy used by national governments under the provisions of the Kyoto Protocol. The businesses are granted credits, the surplus of which may be sold on the market. Each country is assigned the upper limit of permissible emission of pollution. The limit is divided among and sold to businesses in the form of allowances. If a given enterprise does not use the assigned credits, it may sell them to other businesses, which exceed the acceptable limits.	<b>MPZP</b>	local land development plan (miejscowy plan zagospodarowania przestrzennego).				
		<b>Natural gas</b>	natural mixture of paraffin hydrocarbons, primarily consisting of methane (up to 98% in high-methane gas); in the earth's crust found in the form of reserves.				