

#### Development Process of the Network Code on Harmonised Transmission Tariff Structures for Gas

**Introduction: Process Update & Next Steps** 

Malcolm Arthur Adviser, Market





#### **Process Update**

**Implementation Timescales** 

**Transparency** 

**Next Steps** 

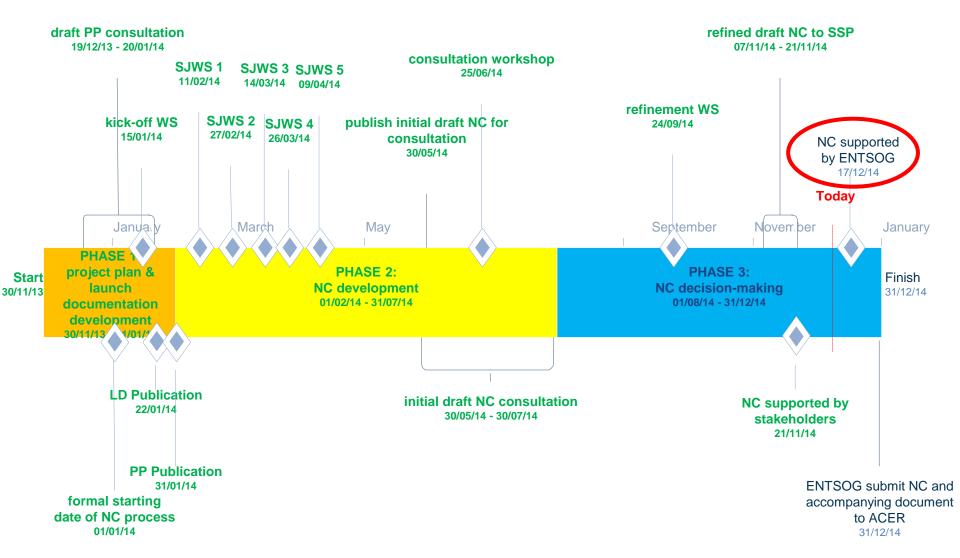




### **Process Update**

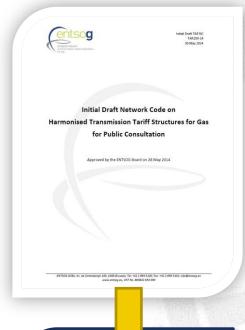
### **TAR NC Timeline**



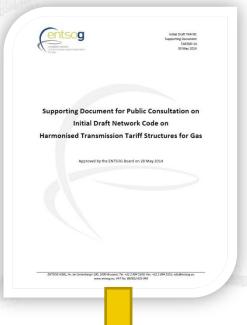


### Initial Draft TAR NC & Refined Draft TAR NC





Refined Draft TAR NC



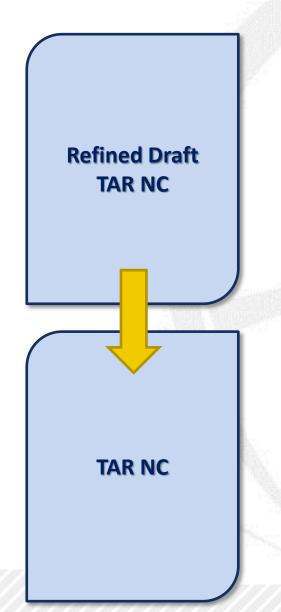
Documents for 2-month consultation (30 May – 30 Jul)

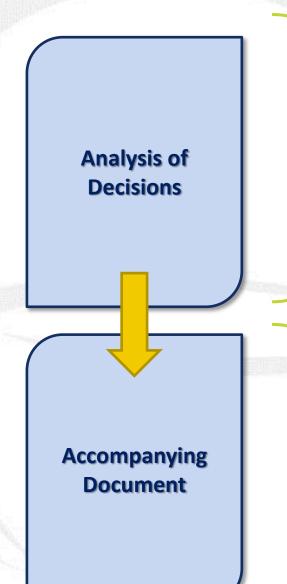


Documents for Stakeholder Support Process (7 Nov – 21 Nov)

## TAR NC for ACER







Documents for Stakeholder Support Process (7 Nov – 21 Nov)

Documents for handover to ACER (by 31 December)

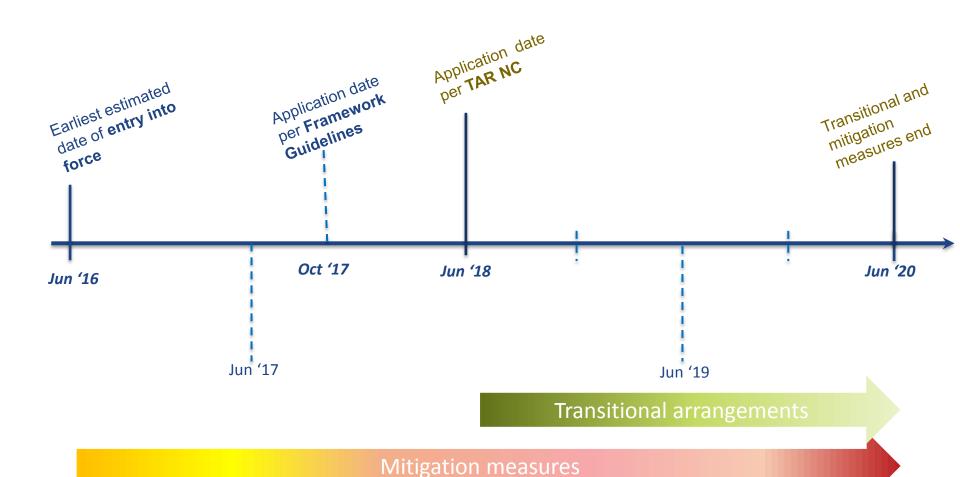




### **Implementation Timescales**

### TAR NC: Implementation Timescale





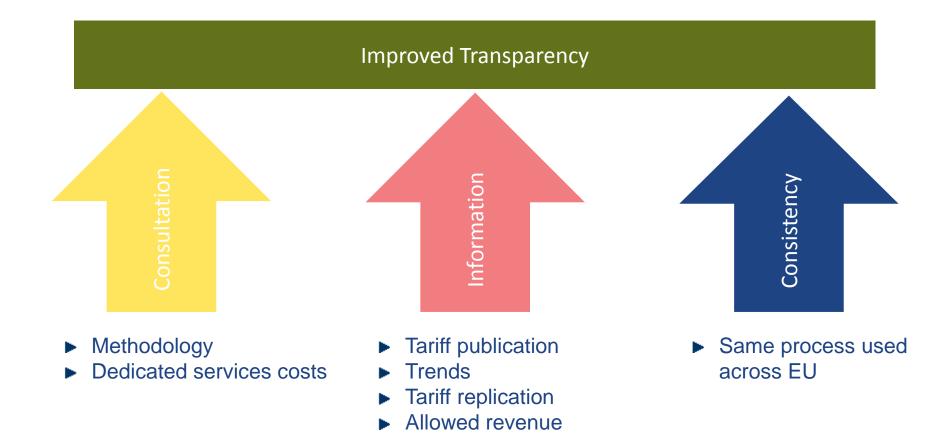




### **Transparency**

# Transparency









#### **Next steps**

## Next Steps



7 November – 21 November Stakeholder Support process

31 December – deadline for ENTSOG to submit TAR NC to ACER

3 months – time for ACER to provide reasoned opinion to ENTSOG

**Next steps depend on ACER review** 

TAR NC – implemented 24 months as from its entry into force





#### **Thank You for Your Attention**

Malcolm Arthur Adviser, Market

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# Development Process of the Network Code on Harmonised Transmission Tariff Structures for Gas

**Transparency Requirements in the TAR NC** 

Irina Oshchepkova
Junior Adviser, Market





#### The TAR FG and the TAR NC

Why / What / How / When To Publish

Stakeholder Feedback and ENTSOG Consideration

**Next Steps and Additional Information** 



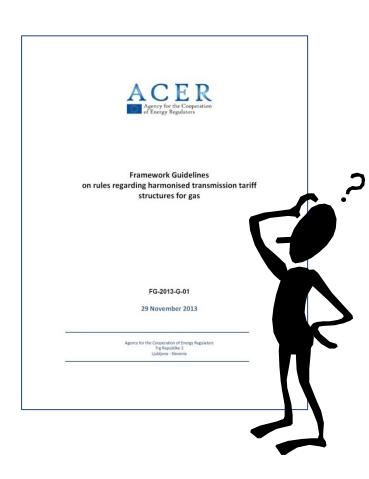


#### The TAR FG and the TAR NC

### Requirements of Section 2 of the TAR FG

entsog

- overall aims of publication requirements 'why?' (Article 24)
- general publication requirements, i.e. the list of 'relevant input information necessary to calculate tariffs' 'what?' (Article 25.1)
- 3. task to 'develop a standardised format for publishing [such] information (e.g. by integrating it into the EU-wide ENTSO-G Transparency platform)' – 'how?' (Article 25.3-4)
- duration of the publication notice period 'when?' (Article 27)



This all + the stakeholder feedback (i.a. taken into account for Article 26 on additional transparency requirements) forms the basis for Chapter IV 'Publication Requirements' of the TAR NC



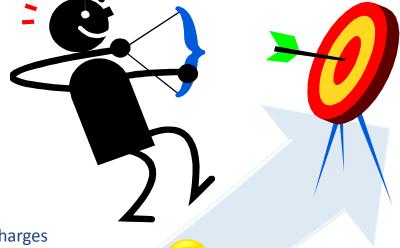


Why?

### **Objectives of publication requirements**



# Network users are to be able to understand...



...transmission tariffs and charges for dedicated services charged to specific network users and at specific entry or exit points corresponding to such services

...different types of transmission services and dedicated services



...how such transmission tariffs and such charges are set, have changed and may change



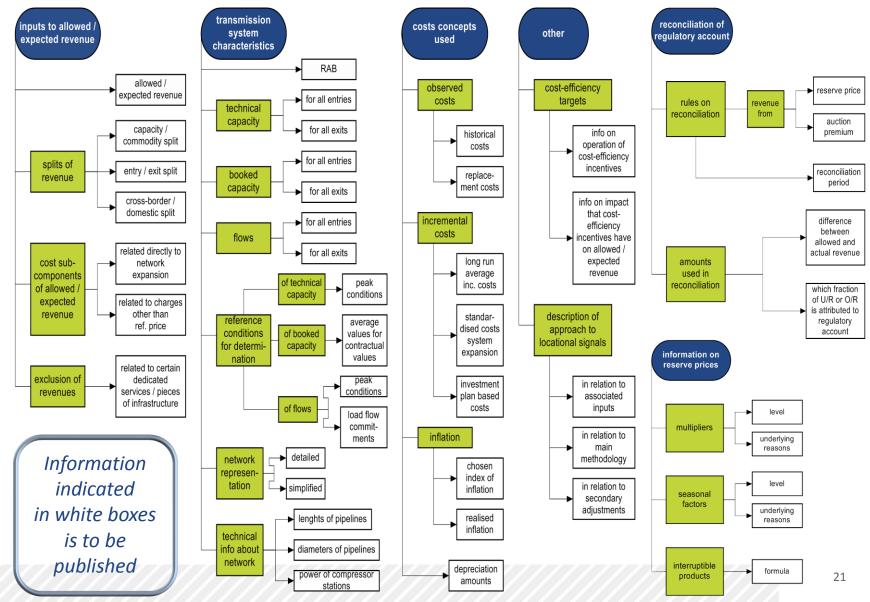




#### What?

### Information required by the TAR FG





### Information required by the TAR NC



#### **BLOCK 1**

- TSO's allowed/target revenue
  - (a) allowed/target revenue + information related to changes in its level
  - (b) transmission services revenue + treatment of auction premium + information on reconciliation of regulatory account
  - (i) actually obtained revenue, under-/overrecovery attributed to the regulatory account (ii) reconciliation period, incentive mechanisms implemented, the applied mitigating measures

#### **BLOCK 2**

- Inputs for cost allocation methodology
- (c) parameters of the primary cost allocation methodology + information on the secondary adjustment(s) + entry-exit split (if not a parameter)

Examples of parameters:

RAB, capacity/commodity split, entry/exit split, cross-border/domestic split, technical capacity, forecasted contracted capacity, structural representation of transmission network

#### **BLOCK 3**

- Transmission tariffs and charges for dedicated services
  - (d) transmission tariffs
  - (i) reserve prices for firm standard capacity products + formulas for calculation + justification for multipliers and seasonal factors (ii) reserve prices for interruptible standard capacity products + formulas for calculation (iii) commodity-based tariffs + relevant information on derivation (iv) tariffs for alternative capacity products +
  - relevant information on derivation
    (v) prices at non-IPs + relevant information on derivation
  - (e) charges for dedicated services charged to specific network users and at specific points + relevant information on derivation

### **Transmission and Dedicated Services**



TRANSMISSION SERVICES -> TRANSMISSION TARIFFS	DEDICATED SERVICES → CHARGES FOR DEDICATED SERVICES		
1. scope: more general, link to the definition of 'transmission' from Directive 2009/73/EC and Regulation 715/2009:  'transport of natural gas through a network, which mainly contains high-pressure pipelines, other than an upstream pipeline network and other than the part of high-pressure pipelines primarily used in the context of local distribution of natural gas, with a view to its delivery to customers, but not including supply'	1. scope: exclude only specific services, these are 'other than transmission services'		
2. beneficiary of the service: all network users	2. beneficiary of the service: specific network users / infrastructure operators / at specific points		
3. calculation: via cost allocation methodology	3. calculation: outside of cost allocation methodology		
4. revenue reconciliation: one pot for transmission services	4. revenue reconciliation: not to be mixed with one pot		
<b>5. transparency</b> : parameters of cost allocation methodology, associated part of the allowed/target revenue, under-/over-recovery and related information on reconciliation of the regulatory account, resulting tariffs	<b>5. transparency</b> : charges for specific network users and at specific points + information on their derivation		
	<u>6. additional burden</u> : avoiding cross-subsidies between network users, taking account of the objectives of security of supply and fulfilment of goals for renewables		

Note also the link with 'regulated services' as well as the requirements on consultation and NRA approval





How?

### Standardised Format



standardised format (Article 26, para 3-4)



'standardised table' (para 3)



publication in a certain 'manner' (para 4)

irrespective of cost allocation methodology

TSO's allowed/target revenue

dependent on cost allocation methodology

- parameters of primary cost allocation methodology
- information on secondary adjustments

of **TSO or NRA**, as relevant

on the website of TSO or

charge

 in a clear, quantifiable, easily accessible way and on a non-discriminatory basis

via Transparency Platform

accessible to public, free of

 in the official language(s) of the MS and in English

irrespective of cost allocation methodology

- transmission tariffs
- charges for some dedicated services

# How a Standardised Table May Look Like





Tra	Requirements Value(with unit) / Text					
	nsmission services allowed/expected revenue					
•	Value of transmission services revenue	2016	2017	2018	2019	
		500.246.276 €	495.039.482€	511.351.9	16€ 511.8	368.371€
•	Entry / exit split for capacity charges	25% entry / 75% e	exit			
Prir	mary methodology	*				
	Capacity (all entries/all exits)			March II was a common		
			6873 CO. 6887 CO.	Expected	The second second	
			Capacities	bookings	Technical	
			Entry 1	10	13	
			Entry 2	10	12	
			Entry 3	5	10	
			Exit 1	10	12	
			Exit 2	5	8	
			Exit 3	5	8	
			Exit 4	10	12	
		TI TO COUNT OF A				
	Network representation and length of	Unit in GWh/h/year				
				71	8	
•	Relevant entry/exit combinations	For distance, the sh	100000000000000000000000000000000000000	durateristic capacity weighted		ssible.
779-7-1	Relevant entry/exit combinations	For distance, the sh [for Variant B]	100000000000000000000000000000000000000			ssible.
Sec	ondary adjustments	[for Variant B]	100000000000000000000000000000000000000			ssible.
Sec •	ondary adjustments Rescaling	[for Variant B]  No rescaling	ortest path is used	when several	option are pos	
•	ondary adjustments Rescaling Equalisation	[for Variant B]  No rescaling  For all the domestic	c exit points, we ha	d when several	option are pos	simplicity.
Sec •	ondary adjustments Rescaling	[for Variant B]  No rescaling	exit points, we ha hark with competit resulting from the NRA, tariff at entry	when several  we made an ecorors reveals the CWD methodo 1 was decreas	option are pos qualisation for at there is a cor plogy results in	simplicity.
• •	ondary adjustments Rescaling Equalisation Benchmarking	[for Variant B]  No rescaling  For all the domestic  For entry 1, benchn point and the tariff In agreement with	exit points, we ha hark with competit resulting from the NRA, tariff at entry	when several  we made an ecorors reveals the CWD methodo 1 was decreas	option are pos qualisation for at there is a cor plogy results in	simplicity.
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Sec • • Oth	ondary adjustments Rescaling Equalisation Benchmarking  ter Cost drivers	[for Variant B]  No rescaling  For all the domestic  For entry 1, benchn point and the tariff In agreement with I All other tariffs wer	exit points, we ha hark with competit resulting from the NRA, tariff at entry	when several  we made an ecorors reveals the CWD methodo 1 was decreas	option are pos qualisation for at there is a cor plogy results in	simplicity.
Sec • • Otl	ondary adjustments Rescaling Equalisation Benchmarking  ter Cost drivers	[for Variant B]  No rescaling  For all the domestic  For entry 1, benchn point and the tariff In agreement with I All other tariffs wer	exit points, we ha hark with competit resulting from the NRA, tariff at entry	we made an ec cors reveals the CWD method of 1 was decreas	qualisation for at there is a cor ology results in sed by 20%.	simplicity. mpetition on this
Sec • • Otl	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling  For all the domestic  For entry 1, benchn  point and the tariff  In agreement with I  All other tariffs wer  Capacity, distance	c exit points, we ha hark with competit resulting from the NRA, tariff at entry e increased by 5%	twe made an ectors reveals the CWD methods 1 was decreas	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.
Sec • • Oth	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling For all the domestic For entry 1, benchn point and the tariff In agreement with I All other tariffs wer  Capacity, distance  [€/kWh/h/year]	e exit points, we hank with competit resulting from the NRA, tariff at entry e increased by 5%	when several when several we made an ecors reveals the CWD methodo 1 was decreas.	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.
Sec • • Oth	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling For all the domestic For entry 1, benchn point and the tariff In agreement with I All other tariffs wer  Capacity, distance  [E/kWh/h/year] Entry 1	c exit points, we ha hark with competit resulting from the NRA, tariff at entry e increased by 5%	when several when several we made an ecorors reveals the CWD methodo 1 was decreas 7 20 5 8.5 8.5	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.
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Sec • • Oth	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling For all the domestic For entry 1, benchn point and the tariff In agreement with I All other tariffs wer  Capacity, distance  [€/kWh/h/year] Entry 1 Entry 2	c exit points, we han ark with competit resulting from the NRA, tariff at entry e increased by 5%	we made an ecorors reveals the CWD methodo of was decreased by the corors of the corons of the corors of the corons of the corors of the coror	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.
Sec • • Otl	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling For all the domestic For entry 1, benchn point and the tariff In agreement with I All other tariffs wer  Capacity, distance  [E/kWh/h/year] Entry 1 Entry 2 Entry 3	c exit points, we ha hark with competit resulting from the NRA, tariff at entry e increased by 5%	we made an ecorors reveals the CWD methodo of 1 was decreased.	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.  2019 3.49 3.18
• •	ondary adjustments Rescaling Equalisation Benchmarking  mer Cost drivers	[for Variant B]  No rescaling For all the domestic For entry 1, benchn point and the tariff In agreement with I All other tariffs wer  Capacity, distance  [e/kwh/h/year] Entry 1 Entry 2 Entry 3 Exit 1	c exit points, we harry with competitive sulting from the NRA, tariff at entry e increased by 5%  2016 201 8 8.1t 8 8.1t 13 3.0t	we made an ecorors reveals the CWD methodo of 1 was decreased as the corons of the cor	qualisation for at there is a corology results in sed by 20%.	simplicity. mpetition on this a too high tariff.  2019 3.49 3.49 3.18

# **Evolution of Approach**



 indicated highlevel example of a standardised table

> SJWS 2 (27 Feb)

SJWS 4 (26 Mar)

 idea about 'general template' and 'customised templates' split the table into 2 parts:

 (1) parameters of the primary cost allocation methodology;
 (2) the rest of the information

Initial Draft TAR NC (30 May) Refined Draft TAR NC (7 Nov)

 deleted the necessity to split the table into 2 parts



## Current Approach





#### Reflected in the legal text:

- When? To complete the table and to publish the information for each tariff period
- Structure? Three columns: (1) information item; (2) value in the applicable units; (3) if necessary, other details
- <u>Level of Detail?</u> To publish the parameters that are 'relevant' for a given primary cost allocation methodology



#### Additional consideration:

<u>Limit?</u> Where – due to the specificity of a particular information – it is difficult to fill in the cell, the cell in the 1<sup>st</sup> column should be converted to a hyperlink leading to another webpage with the proper description

The detailed design of the standardised table is up to each TSO/NRA, as relevant

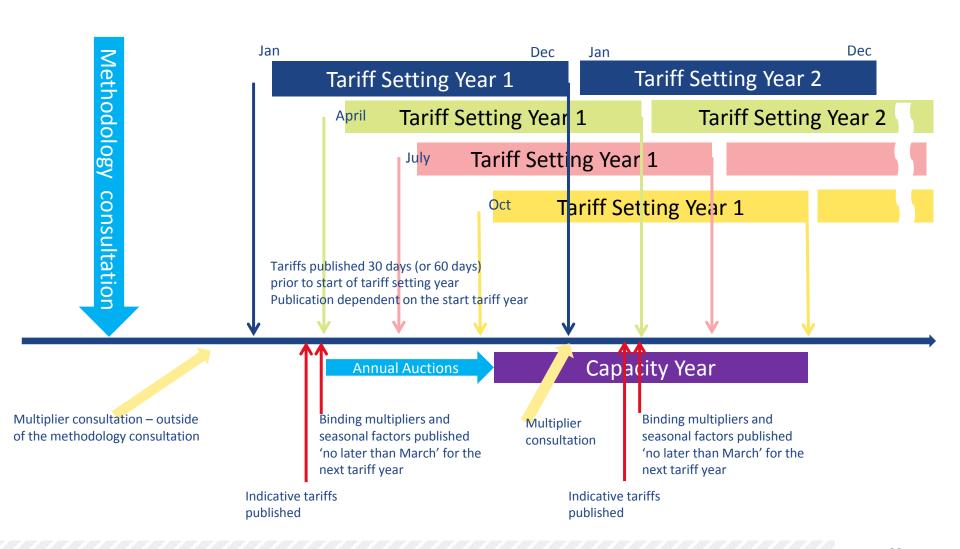




#### When?

### **Publication Timeline**





# Timings of Publication



WHAT	WHEN
<ul> <li>Information in the standardised format, tariff model and tariff changes/trends</li> </ul>	• simultaneously, 'for each tariff period'
<ul> <li>binding tariffs and charges for dedicated services (other than system operation services for 3<sup>rd</sup> parties)</li> <li>If difference is anticipated as &gt; 20%</li> </ul>	<ul> <li>min 30 days before tariff period</li> <li>min 60 days before tariff period</li> </ul>
<ul> <li>indicative reference prices and binding multipliers + seasonal factors</li> </ul>	<ul> <li>min 30 days before annual yearly capacity auctions</li> </ul>
<ul> <li>updated tariffs for monthly and daily interruptible products, if any</li> </ul>	<ul> <li>as soon as possible within the tariff period</li> </ul>





#### **Stakeholder Feedback**

### **Overall Feedback**



...the TAR FG foresees a lot of information but is it the right one...

...sufficient transparency requirements over charges for dedicated services...

models...

...pleased that ENTSOG has

finally recognised the

publishing their tariff

*importance of TSOs* 

...it's always good to ask for more transparency...

...with the publication of all the information the stakeholders can be 'more confused than convinced'...

...welcomes the efforts made by ENTSOG to strengthen the transparency provisions... ...transparency is the key...

...we favour maximum transparency... ...transparency and predictability of tariffs is necessary...

...publication of the binding reference price...is of paramount importance...

...the tariff model with preloaded input data that is regularly updated is welcomed so that the network users are able to understand how the tariffs are derived...

### **Initial Draft TAR NC:**

#### 2-month Consultation (30 May - 30 July)

- ➤ 10 questions (including in relation to the harmonisation of the tariff setting year) were asked in the Supporting Document
- Mainly, stakeholders indicated their concerns when responding to the following 2 questions:

#### **Question 19**

#### Do you agree with the standardised format as set out in Article 26.1 of the initial draft TAR NC?

Number of	Yes	No	Unclear
respondents: 37	13	24	n/a

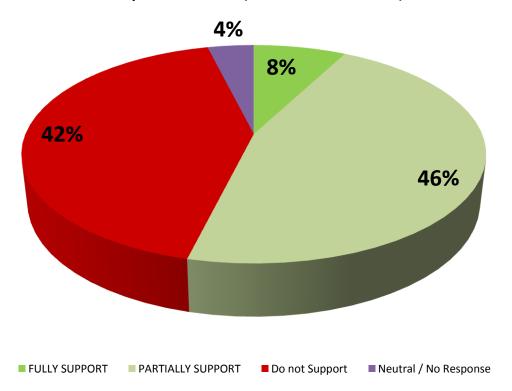
#### **Question 20**

Do you agree with the separation of the information into two different parts as set out in Article 26.1(a) of the initial draft TAR NC?

Number of	Yes	No	Unclear
respondents: 36	33	2	1

# Refined Draft TAR NC: Stakeholder Support Process (7-21 November)

Please indicate your support for Chapter 4: Publication Requirements (Articles 24 – 27)



54% support vs. 42% no support of the market with respect to Chapter on Publication Requirements





# **ENTSOG Consideration of Stakeholder Feedback**

### Changes after Consultation on Initial Draft

transmission services revenue to be obtained from domestic network users at entry (b) the corresponding transmission tariffs and therees for dedicated services charged to 5. Where more than one cost driver referred to in paragraph 3 is identified as relevant, the specific network users and at specific entry or exit points corresponding to the services combination of such cost drivers shall be used taking into account the following: referred to in point (e) and (a) the total number of cost drivers shall be minimised: (c) how share-tariffs and charges referred to in point (b) are derived, have changed and may (b) the relative importance of all the cost drivers shall be demonstrated: laid to understanding difference if any in the layer of transmission ratific applicable for two (c) where distance is used as a cost driver, the weighted average distance shall be used. contactive teriffications for the same type of transmission service. 6. Where the results of the calculation referred to in paragraph 3(c) indicate the value which 3-2. The confidentiality of commercially sensitive information shall be preserved. exceeds ten percent, the national regulatory authority shall provide the justification therefor in the decision referred to in Article 30(5) 21/3). Where the reason for such excess originates from levying the charge referred to in Article 4(52)(b), the value or the application Article 25 of such charge shall be reviewed so that the results of the calculation referred to in Information to be published in a standardised format paragraph 3(c) indicate the value which does not exceed ten percent. 1. For each tariff period, the transmission system operator or the national regulatory authority. as relevant, depending on the party responsible for setting the transmission tariffs, shall publish the following information on the following related to the provision of transmission Storage facilities, the following that be taken into consideration (b) the need to common afficient in astronom in the transmission of states (b) the transmission services revenue, the treatment of the auction premium and, where the transmission system operator functions under a non-price cap regime, the following (2) the next to minimize declinence; affects on consultanter trade information on the reconciliation of the regulatory account related to the previous tariff CHAPTER W/V (i) the actually obtained revenue, the under- or over-recovery of the allowed revenue PUBLICATION REQUIREMENTS and the part thereof attributed to the regulatory account. Article 24 (ii) the reconciliation period, the incentive mechanisms implemented, the applied General provisions mitigating measures. 1. The information relevant for the price calculation shall be published in order to enable the parameters of the applied primary cost ellocation methodology as detailed in network users to understand: Article 5\_and the information on the applied secondary adjustment(s) and, where it is 2. To antimpte the a representative section the reference using the time report to the region and under not used as a parameter of the primary cost allocation methodology, the entry-exit split; the test partie day on minima with the regulatory partie, for each of parties with Comparison of initial and Refuncti Oraft TATING Companion of Initial and Refined Draft TAY NO Article 26 Additional information on transmission tariffs to be published 43. The information referred to in Article 15(4)personated 1 shall be published via a 1. At the same frequency as the publication of information referred to in Article 25(1), the standardised table, which the lot up was as 50 own 17he gandardised table shall consist of three columns, namely the indication of the information item, the respective value in the applicable units and, if necessary, other details, affect of the information items shall be indicated in a separate row of the standardised table. (a) the difference in the level of transmission tariffs for the same type of transmission The first part shall indicate the information referred to in Article 15/bile (b) the estimated difference in the level of transmission tariffs for the same type of (ii) the record out that indicate the information referred to in Article 75% this and in the second of the second secon (i) for the following tariff period: (ii) for each tariff period within the remainder of the respective regulatory period. 2. In addition to the information set out in paragraph 1, the transmission system operator or the transmission tariffs, shall publish either of the following: conditional table referred to in paragraph 1 that he confirmented with the room (a) a simplified tariff model enabling network users to calculate the transmission tariffs 3.4. The information standardised table referred to in paragraph 43 shall be published in the

(a) via the platform referred to in point 3.1.1(1)(h) of Annex I to Regulation (EC)

(b) on the website of the transmission system operator or the national regulatory authority,

(e) in a clear, quantifiable, easily accessible way and on a non-discriminatory basis;

(alle) in the official language(s) of the Member State and in English.

(c) accessible to network users the public, free of charge;

in a downloadable format:

(4/d) \_\_\_\_\_\_\_transmission tariffs applicable at each entry and each exit point or at a each group of points, as relevant; and the sociosols into The reference prices (i) the reserve prices for <del>nonvestiv</del> standard capacity products for firm capacity, the formulas for their calculation and, if these formulas include multipliers or seasonal factors, justification for introducing such multipliers and seasonal factors; (iii) the reserve prices for standard capacity products for interruptible capacity and the formulas for their calculation: (iii) the charges set out in Article 4(2), if any, and the information related to their the prices applicable at points other than interconnection points and the information related to their derivation. (e) charges for dedicated services charged to specific network users and at specific entry or exit points and the description of how these charges were derived. to the continue to Washing Includes and the part thereof attributed to the regulatory account, (ii) the reconclistion period, the incentive mechanisms implemented the treath information referred to in paragraph 1 shall be published as follows: (a) where the national regulatory authority(-ies) took a decision in accordance with Article 5/34 Val. the information shall be published on an aggregated level for all those transmission system operators: (b) where the national regulatory authority(-ies) took a decision in accordance with Article 5(44)(b), the information shall be published individually per transmission system 2008 d5 of 25

transmission system operator or the national regulatory authority, as relevant, depending on the party responsible for setting the transmission tariffs, shall publish the relevant

service applicable for the current teriff period and for the tariff period for which the

transmission service applicable for the tariff period for which the information is

the national regulatory authority, as relevant, depending on the party responsible for setting

applicable for the current tariff period and to estimate their possible evolution in the

(a) sensitivity analyses enabling network users to estimate the possible evolution of transmission tariffs in the following tariff periods.

The user-friendly tool referred to in point (a) shall be accompanied by the explanations on

#### Article 27

Publication notice period

2. The level of transmission tariffs that he applicable within the tariff period (which that last

1. At least thirty days in advance of the tariff period, The transmission system operator or the national regulatory authority, as relevant, depending on the party responsible for setting the transmission tariffs, shall publish the following prices applicable for that tariff period



Companyon of Initial and Refined Draft TARING

(b) the charges for dedicated services charged to specific network users and at specific entry

Where the difference in the level of transmission taniffs the respective prices referred to in the first subparagraph applicable for next tariff period as compared to the current one is expected to exceed twenty percent, the transmission taxiffications applicable for the next tariff period shall be published at least sixty days in advance thereof.

2. At least thirty days before the annual yearly capacity auction, the transmission system operator or the national regulatory authority, as relevant, depending on the party responsible for setting the transmission tariffs, shall publish at least the indicative reference prices and the binding multipliers and seasonal factors applicable for the tariff period

3. Where the charge referred to in Article 4(2)(b) or Where necessary essential factors on the discounts for monthly and daily standard capacity products for interruptible capacity are recalculated within the tariff period in accordance \$1/51 and \$3/41, the updated transmission tariffs shall be published as early as possible before they are applicable within the respective teriff period. Each update shall be accompanied by the supporting information indicating the reasons for the changes in the level of such transmission tariffs. In such case, the updated transmission tariffs shall be riy se possible before they are applicable.

2.4. The reference price may be recalculated within the tariff period only in exceptional cases and subject to the approval of the national regulatory authority.

#### CHAPTER MAY RESERVE PRICES

Article 28 General provisions

1. For yearly standard capacity products for firm capacity, the reference prices shall be used as reserve prices. For non-yearly standard capacity products for firm capacity, the reserve prices shall be calculated as set out in this Chapter. For both yearly and non-yearly standard capacity products for interruptible capacity, the reserve prices shall be calculated as set out

# Issues Addressed Throughout the Process

	Origins	Issue	Where
F3>1	€ STKH (6)	Parameters for setting the allowed / target revenue (e.g. WACC, depreciation period)	Refined
A CONTRACTOR OF THE PARTY OF TH	ACER	Total allowed/target revenue of a TSO (not only transmission services part)	draft TAR NC
2 d	STKH (9)	Information on charges other than for transmission services	17 de la constante
	STKH (1)	Publish the standardised table in a 'friendly manner', 'in a downloadable format'	
(S)	STKH (18)	To publish the tariff model enabling to understand: (1) how the current tariffs are determined; (2) what the future tariffs will be	
Figure	STKH (6)	In addition to the tariff model, explanatory and supporting documentation on how it works	
	STKH (8) <b>)</b> €	In addition to the tariff model, information on how the tariffs did change and how they will change	
	STKH (24)	Publication of indicative reference prices and binding multipliers and seasonal factors prior to annual yearly capacity auctions (based on STKH concern to publish binding tariffs prior to these auctions)	
W. C.	STKH (3)	Apart from the allowed/target revenue itself, to publish 'the information related to changes in its level'	TAR NC for submission
F301	STKH (1)	If any, to publish tariffs for alternative capacity products/formulas for their calculation and the 'relevant information' for their derivation	to ACER
	STKH (2) <b>)</b> E	NRA decision on transmission tariffs for the storage facilities is to contain an explanation on how it took account of the net benefits of storage for transmission system, the need to promote efficient investment in the transmission system and to minimise detrimental effects on cross-border trade	38

### Other Amendments

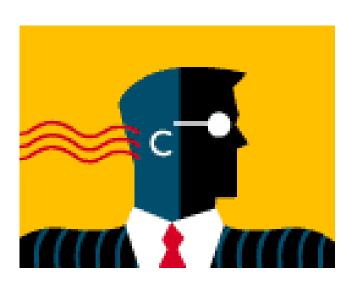


- Added information on 'derivation' of complementary revenue recovery charge, flow-based charge, charges at non-IPs
- Regarding recalculation:
  - Deleted the possibility of recalculating seasonal factors within the tariff period
  - Limited recalculation of discounts for interruptible capacity products within the tariff period only for monthly and daily products (where the probability of interruption changes by more than 20%)
  - Recalculation of reference price within the tariff period 'in exceptional cases'
- Restructured set of information to be published in a standardised format
- Where relevant, improved drafting and the use of 'tariffs' / 'prices' / 'charges' throughout the TAR NC



### **Beyond the TAR FG Requirements**





#### Tariff Model

- either a simplified tariff model
- or sensitivity analyses enabling network users to estimate the possible evolution of tariffs
- Tariff Changes/Trends in the Level of Transmission Tariffs
- 'changes' = difference between the upcoming tariff period and the current one
- 'trends' = difference between the upcoming tariff period and the next one (and so on up until the end of the regulatory period)

#### Publication Notice

- indicative reference prices (min 30 days before annual yearly auctions)
- binding multipliers + seasonal factors (idem)





### **Next Steps**

### Submission to ACER



#### **17 December 2014**

ENTSOG General Assembly approval

#### **31 December 2014**

Deadline for ENTSOG to submit to ACER the TAR NC

#### **March 2015**

Deadline for ACER to provide to ENTSOG the reasoned opinion







#### **Additional Information**

#### **Reference Documents**



- ✓ <u>Launch Documentation</u>(22 Jan, p. 21)
- Presentation at SJWS 2 (27 Feb, p. 91) and Presentation at SJWS 4 (26 Mar, p. 65)
- ✓ Initial Draft TAR NC
  (30 May, p. 31) and
  Supporting Document
  (30 May, p. 38)
- Refined Draft TAR NC

   (7 Nov, p. 37) and
   Analysis of Decisions Document
   (7 Nov, p. 38)
- ✓ <u>Initial and Refined Draft TAR NC Comparison</u> (12 Nov, p. 43)







#### **Thank You for Your Attention**

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