TARIFFS FOR ACCESS TO THE TRANSMISSION NETWORK AND GAS TRANSMISSION AND CONDITIONS FOR THEIR APPLICATION

as approved by the decision of the Regulatory Office for Network Industries No. 0031/2023/P of 13 February 2023

valid from 1 January 2023

A. Tariffs for access to the transmission network and gas transmission

1. Tariffs applicable to booked daily transmission capacity for entry/exit point Veľké Kapušany, for entry/exit point Budince and for entry/exit point domestic point

1.1. Initial tariff rates applicable at entry points (n) to the transmission network in the calendar year 2023 are as follows:

Table No. 1

Tariff Group (booked daily capacity, $T_{en(m)}$)	**Initial tariff rate at entry point (n)** ($P_{0en(n)(m)(2023)}$) (EUR/(MWh/d)/y)		
	Veľké Kapušany	Budince	Domestic point
T_{en1} (up to and including 18,200 MWh/d)	174,93	174,93	16,51
T_{en2} (from 18,200 MWh/d up to and including 100,000 MWh/d)	176,81	176,81	16,68
T_{en3} (from 100,000 MWh/d up to and including 416,000 MWh/d)	182,49	182,49	17,23
T_{en4} (from 416,000 MWh/d up to and including 1,372,800 MWh/d)	125,13	125,13	11,81
T_{en5} (above 1,372,800 MWh/d)	92,10	92,10	8,70

The final tariff rate at entry point (n) to the transmission network to be applied in the relevant calendar year (t) shall be determined as follows:

$$P_{en(n)(t)} = P_{0en(n)(m)(t)} \times (1 - \alpha_{(m)(t)}/1\ 000\ 000 \times C_{en(n)(t)}) \times I_{y/m/d}$$

where

$P_{en(n)(t)}$ is the final tariff rate at entry point (n) to the transmission network to be applied in the relevant calendar year (t) (in EUR/(MWh/d)/y) for the relevant agreed transmission period within calendar year (t);

$\alpha_{(m)(t)}$ is the daily capacity factor for tariff group (m) for the entry point (n) to the transmission network for calendar year (t) (in d/MWh);

$C_{en(n)(t)}$ is the contracted daily capacity at entry point (n) to the transmission network for calendar year (t) (in MWh/d)

$I_{y/m/d}$ is the duration factor;

n is the respective entry point, for which the final rate for calendar year (t) is to be determined;

t is the calendar year, for which the final rate for entry point (n) is to be determined;

m = 1 for any $C_{en(n)(t)}$ up to and including 18,200 MWh/d

m = 2 for any $C_{en(n)(t)}$ in the range from 18,200 MWh/d up to and including 100,000 MWh/d

m = 3 for any $C_{en(n)(t)}$ in the range from 100,000 MWh/d up to and including 416,000 MWh/d

m = 4 for any $C_{en(n)(t)}$ in the range from 416,000 MWh/d up to and including 1,372,800 MWh/d

m = 5 for any $C_{en(n)(t)}$ above 1,372,800 MWh/d

$\alpha_{(m)(t)} = 0$, for m= 1 and m = 5,

$\alpha_{(m)(t)} = 0.5948$, for m = 2,

$\alpha_{(m)(t)} = 0.8876$, for m = 3,

$\alpha_{(m)(t)} = 0.1923$, for m = 4.

1.2. Initial tariff rates applicable at exit points (n) from the transmission network in the calendar year 2023 are as follows:

Table No. 2

Tariff Group (booked daily capacity, $T_{ex(m)}$)	**Initial tariff rate at exit point (n)** ($P_{0ex(n)(m)(2023)}$) (EUR/(MWh/d)/y)		
	Veľké Kapušany	Budince	Domáci bod
T_{ex1} (up to and including 18,200 MWh/d)	243,02	243,02	89,19
T_{ex2} (from 18,200 MWh/d up to and including 100,000 MWh/d)	245,67	245,67	90,17
T_{ex3} (from 100,000 MWh/d up to and including 416,000 MWh/d)	253,57	253,57	93,07
T_{ex4} (from 416,000 MWh/d up to and including 1,372,800	173,84	173,84	63,81

MWh/d)			
T_{ex5} (above 1,372,800 MWh/d)	127,95	127,95	46,96

The final tariff rate at exit point (n) from the transmission network to be applied in the relevant calendar year (t) shall be determined as follows:

$$P_{ex(n)(t)} = P_{0ex(n)(m)(t)} \times (1 - \alpha_{(m)(t)}/1{,}000{,}000 \times C_{ex(n)(t)}) \times I_{y/m/d}$$

where

$P_{ex(n)(t)}$ is the final tariff rate at exit point (n) from the transmission network to be applied in the relevant calendar year (t) (in EUR/(MWh/d)/y) for the relevant agreed transmission period within calendar year (t);

$\alpha_{(m)(t)}$ is the daily capacity factor for tariff group (m) for the exit point (n) from the transmission network for calendar year (t) (in d/MWh);

$C_{ex(n)(t)}$ is the contracted daily capacity at exit point (n) from the transmission network for calendar year (t) (in MWh/d);

$I_{y/m/d}$ is the duration factor;

n is the respective exit point, for which the final rate for calendar year (t) is to be determined;

t is the calendar year, for which the final rate for exit point (n) is to be determined;

m = 1 for any $C_{ex(n)(t)}$ up to and including 18,200 MWh/d

m = 2 for any $C_{ex(n)(t)}$ in the range from 18,200 MWh/d up to and including 100,000 MWh/d

m = 3 for any $C_{ex(n)(t)}$ in the range from 100,000 MWh/d up to and including 416,000 MWh/d

m = 4 for any $C_{ex(n)(t)}$ in the range from 416,000 MWh/d up to and including 1,372,800 MWh/d

m = 5 for any $C_{ex(n)(t)}$ above 1,372,800 MWh/d

$\alpha_{(m)(t)} = 0$, for m = 1 and m = 5,

$\alpha_{(m)(t)} = 0.5948$, for m = 2,

$\alpha_{(m)(t)} = 0.8876$, for m = 3,

$\alpha_{(m)(t)} = 0.1923$, for m = 4,

2. Tariffs applicable to the quantity of actually transmitted gas for all entry/exit points

Tariffs applicable to the quantity of actually transmitted gas are for the period from 1 January 2023 as follows:

- a flow-based charge (hereinafter reffered also to as „**gas for the operational purposes**“)

A flow-based charge is determined according to the decision of the Regulatory Office for Network Industries No. 0040/2019/P of 29 May 2019, issued on the basis of § 12(1)(g), § 14(11)(21) of the Act No. 250/2012 Coll. of 31 July 2012 on regulation in network industries, as later amended and supplemented by consequential amendments, in conjunction with the Article 27(4) and Article 28(1) of the Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas and Article 41(6)(a) of the Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC and Article 13 of the Regulation (EC) No 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 in the amount of 1.7% of gas flow transmitted, namely:

i. 0.85% at an enry point
ii. 0.85% at an exit point

Transmission network user and transmission system operator (eustream) may also agree in the contract on the provision of gas for operational purposes in financial terms. In such case, the provision of section 3.11. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) shall apply.

3. Price for interruptible capacity for entry/exit point Veľké Kapušany, for entry/exit point Budince and for entry/exit point domestic point

The price for access to the transmission network and gas transmission for calendar year (t) shall, in case of interruptible capacity, reflect the probability of interruption. In such case, the annual payment $P_{(n)(t)}$ for access and transmission of gas via respective entry/exit point (n) for calendar year (t) shall, for a yearly contract, be calculated by the following formula:

$$P_{(n)(t)} = P_{an\text{-}t} / y \times \sum_{n=1}^{y} [L_I]$$

where

$P_{(n)(t)}$	is the annual payment for access and transmission of gas via entry/exit point (n),
$P_{an\text{-}t}$	is the annual payment for transmission capacity without interruption,
y	is the total number of days in the relevant year,
L_I –	is the factor reflecting the level of actual interruption, if $C_S/C_I \geq 0.04$, then $L_{In} = C_S/C_I$ if $C_S/C_I < 0.04$, then $L_{In} = 0.04$
C_S	is the amount of interruptible capacity actually offered in case of interruption or restriction,
C_I	is the contracted daily interruptible capacity.

The annual payment $P_{(n)(t)}$ shall not be divided evenly into monthly invoices; instead, it shall be directly proportional to the interruption in the relevant month.

The above method of calculation of the price for interruptible capacity for a yearly contract shall accordingly be applied to contracts with a duration other than one year.

4. Amount of neutrality charge, including definition of methodology for the calculation of price applied to determine the imbalance charge

4.1. The neutrality charge for the period starting from 1 January 2023 equals to 0.00 EUR/MWh of the allocated transmission capacity determined according to the conditions for the application of the neutrality charge in line with conditions for the neutrality charge application.

4.2. Methodology for the calculation of the price applied to determine the daily imbalance charge:

The price applied (in EUR/MWh) to determine the negative daily imbalance charge shall be the higher of the following two prices:

(i) The highest purchase price of gas purchases made on a balancing platform for the relevant gas day; the purchase price is the weighted average of prices achieved in one auction made on the balancing platform

(ii) Index (CEGHIX + 0.5) x (1 + small adjustment expressed in %).

The price applied (in EUR/MWh) to determine the positive daily imbalance charge shall be the lower of the following two prices:

(i) The lowest sale price of gas sales made on a balancing platform for the relevant gas day; the sale price is the weighted average of prices achieved in one auction made on the balancing platform

(ii) Index (CEGHIX + 0.5) x (1 - small adjustment expressed in %).

where
Small adjustment is 7%
The CEGHIX index is the price index of the trading venue CEGH Gas Exchange of Wiener Börse for the relevant gas day (for the avoidance of doubt, the CEGHIX index for a given gas day, for the purpose of determining the imbalance charge, means the index of the product traded on the day when the imbalance occurred).

5. Amount of the fee for increasing the level of security of gas supply (complementary revenue recovery charge)

5.1. The fee for increasing the level of security of gas supply is deterined in accordance with the decision of the Regulatory Office for Network Industries No. 0001/2016/P-ST of 7 November 2016 for providing incentives for the project of Poland-Slovakia gas interconnection according to the Article 13 of the Regulation of the European Parliament and of the Council (EU) No. 347/2013 of 17 April 2013 on guidelines for trans-European energy infrastructure and repealing Decision No. 1364/2006/EC and amending Regulations (EC) No. 713/2009, (EC) No. 714/2009 and (EC) No. 715/2009 in conjunction with the Recommendation of the Agency for the Cooperation of Energy Regulators No. 3/2014 of 27 June 2014 on incentives for the projects of common interests and on common methodology for the risk assessment. As the fee for increasing the level of security of gas supply is related to the construction of the Poland-Slovakia gas interconnection, the transmission system operator (eustream) is entitled to charge this fee in accordance with the conditions mentioned in section 5 of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) from the date of the start of commercial operation of the Poland-Slovakia gas interconnection (hereinafter referred also to as "**SK-PL launch date**"). For the avoidance of doubt, after the SK-PL launch date, users shall be obliged to pay the fee for increasing the level of security of gas supply also for transmission capacities that were allocated before the SK-PL launch date for a period after the SK-PL launch date. The transmission system operator (eustream) will inform on the SK-PL launch date within a reasonable time on its website www.eustream.sk.

5.2. The rate of the fee for increasing the level of security of gas supply for the year 2023 shall be as follows:

$SOS_{(2023)}$ = 0.087 EUR/MWh of allocated transmission capacity

6. Fee for daily capacity overrun at all entry points and exit points

Where the transmission network user overruns the contractually agreed daily capacity at any entry or exit point, it shall pay a fee pursuant to the provisions of § 48 of the Decree of the Regulatory Office for Network Industries No. 24/2013 Coll. of 14 January 2013 laying down the rules for functioning of the internal market in electricity and the rules for functioning of the internal market in gas, as later amended and supplemented by consequential amendments.

B. Conditions for the application of tariffs for access to the transmission network and gas transmission

Sections 1., 2. and 3.1. to 3.10. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) apply for the entry/exit point Veľké Kapušany, for the entry/exit point Budince and for the entry/exit point domestic point; sections 3.11 to 3.14. and section 6 of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) apply for all entry/exit points of the transmission network.

1. Types of tariffs for access to the transmission network and gas transmission

Tariff groups for access to the transmission network and gas transmission (hereinafter referred only to as "**access and gas transmission**") are broken down into tariff groups used to determine the price of access and gas transmission through respective entry points (n) to the transmission network ($T_{en(m)}$) and tariff groups used to determine the price of access and gas transmission through respective exit points (n) from the transmission network ($T_{ex(m)}$), where they are additionally subdivided into individual types based on the contracted daily gas transmission capacity through entry point (n) to the transmission network for calendar year (t) (hereinafter referred only to as "$\mathbf{C_{en(n)(t)}}$"), and/or through exit point (n) from the transmission network for calendar year (t) (hereinafter referred only to as "$\mathbf{C_{ex(n)(t)}}$", $C_{en(n)(t)}$ and/or $C_{ex(n)(t)}$ hereinafter referred also to as "**daily capacity**"), as specified in the contract for access to the transmission network and gas transmission concluded between the transmission system operator (eustream) and the transmission network user (hereinafter referred only to as the "**contract**") as follows:

- **Tariff T_{en1}** – used to valuate access and gas transmission through entry points (n) to the transmission network with a daily capacity of up to and including 18,200 MWh/d,
- **Tariff T_{en2}** – used to valuate access and gas transmission through entry points (n) to the transmission network with a daily capacity from 18,200 MWh/d up to and including 100,000 MWh/d,
- **Tariff T_{en3}** – used to valuate access and gas transmission through entry points (n) to the transmission network with a daily capacity from 100,000 MWh/d up to and including 416,000 MWh/d,
- **Tariff T_{en4}** – used to valuate access and gas transmission through entry points (n) to the transmission network with a daily capacity from 416,000 MWh/d up to and including 1,372,800 MWh/d,
- **Tariff T_{en5}** – used to valuate access and gas transmission through entry points (n) to the transmission network with a daily capacity higher than 1,372,800 MWh/d,
- **Tariff T_{ex1}** – used to valuate access and gas transmission through exit points (n) from the transmission network with a daily capacity of up to and including 18,200 MWh/d,

- **Tariff T_{ex2}** – used to valuate access and gas transmission through exit points (n) from the transmission network with a daily capacity from 18,200 MWh/d up to and including 100,000 MWh/d,
- **Tariff T_{ex3}** – used to valuate access and gas transmission through exit points (n) from the transmission network with a daily capacity from 100,000 MWh/d up to and including 416,000 MWh/d,
- **Tariff T_{ex4}** – used to valuate access and gas transmission through exit points (n) from the transmission network with a daily capacity from 416,000 MWh/d up to and including 1,372,800 MWh/d,
- **Tariff T_{ex5}** – used to valuate access and gas transmission through exit points (n) from the transmission network with a daily capacity higher than 1,372,800 MWh/d.

2. Structure of tariff groups for access and gas transmission

2.1. The tariff groups for access and gas transmission through entry points (n) to the transmission network ($T_{en(m)}$) contain the initial tariff rates ($P_{0en(n)(m)(t)}$) applicable at the respective entry points (n) to the transmission network in calendar year (t).

2.2. The tariff groups for access and gas transmission through exit points (n) from the transmission network ($T_{ex(m)}$) contain the initial tariff rates ($P_{0ex(n)(m)(t)}$) applicable at the respective exit points (n) from the transmission network in calendar year (t).

3. Application of tariffs for access and gas transmission

3.1. Annual payment for access and gas transmission via the transmission network in calendar year (t) shall be calculated as the sum of annual payments determined for calendar year (t) for each entry point (n) to and for each exit point (n) from the transmission network agreed in the contract as follows:

$$P_{(t)} = \sum (P_{en(n)(t)} \times C_{en(n)(t)}) + \sum (P_{ex(n)(t)} \times C_{ex(n)(t)})$$

3.2. For each entry point (n) to the transmission network and each exit point (n) from the transmission network agreed in the contract, each user of the transmission network is assigned to the applicable tariff group ($T_{en(m)}$, $T_{ex(m)}$) according to its overall daily capacity agreed for each entry point (n) and each exit point (n) for calendar year (t) ($C_{en(n)(t)}$, $Ce_{x(n)(t)}$). This assignment to a tariff group shall not change based on the quantity of gas actually transmitted.

3.3. The initial tariff rate at each entry point (n) to the transmission network for calendar year (t) ($P_{0en(n)(m)(t)}$) and the initial tariff rate at each exit point (n) from the transmission network for calendar year (t) ($P_{0ex(n)(m)(t)}$) applied within the tariff groups, to which the network user is assigned for each entry point (n) and each exit point (n) agreed in the contract, shall be determined according to the specification of entry points (n) and exit points (n) of gas transmission contained

in the contract. The following points are considered to be entry points (n) to and exit points (n) from the transmission network:

- **Veľké Kapušany** – considered to be the entry/exit point from/to the transmission network of gas facilities on the territory of Ukraine,

- **Budince** – considered to be the entry/exit point from/to the transmission network of gas facilities on the territory of Ukraine,

- **domestic point** – aggregated virtual point on the territory of the Slovak Republic, considered to be an entry/exit point from/to the network of gas facilities used for the distribution of gas and from/to gas storage facilities on the territory of the Slovak Republic.

3.4. The daily capacity factor ($\alpha_{(m)(t)}$) shall be determined for each entry point (n) to and each exit point (n) from the transmission network agreed in the contract for calendar year (t), according to the assignment of network user to the tariff group to be applied for each entry point (n) and each exit point (n) in calendar year (t). Where a network user is assigned to tariff group T_{en1} and/or T_{ex1} for a certain entry point (n) and/or exit point (n), the daily capacity factor shall equal to 0. Where a network user is assigned to tariff group T_{en2} and/or T_{ex2} for a certain entry point (n) and/or exit point (n), the daily capacity factor shall equal to 0.5948. Where a network user is assigned to tariff group T_{en3} and/or T_{ex3} for a certain entry point (n) and/or exit point (n), the daily capacity factor shall equal to 0.8876. Where a network user is assigned to tariff group T_{en4} and/or T_{ex4} for a certain entry point (n) and/or exit point (n), the daily capacity factor shall equal to 0.1923. Where a network user is assigned to tariff group T_{en5} and/or T_{ex5} for a certain entry point (n) and/or exit point (n), the daily capacity factor shall equal to 0.

3.5. The duration factor shall, for long-term and yearly contracts (I_y), be determined according to the agreed number of years, during which gas transmission should be performed under the contract. If the number of years, during which the transmission system operator (eustream) should carry out gas transmission, is 20 or more, the duration factor shall equal to 0.886. If the number of years, during which the transmission system operator (eustream) should carry out gas transmission, is less than 20, the duration factor shall, for long-term contracts, be determined as follows:

$$I_y = 1.006 - 0.006 \times D_y$$

where

D_y is the term in years (duration), during which transmission should be performed under the contract.

3.6. The duration factor shall, for short-term (monthly, daily and within-day) contracts ($I_{m/d}$) be determined according to the agreed number of months/days, during which gas transmission should be performed under the contract. The duration factor shall, for short-term contracts, be determined as follows:

For monthly contracts:

$I_m = 0.1 + 0.1 \times D_m$

where

D_m is the term in months (duration), during which transmission should be performed under the contract.

For daily and within-day contracts:

$I_d = 0.001 + 0.0072 \times D_d$

where

D_d is the term in days (duration), during which transmission should be performed under the contract, for within-day contracts $D_d = 1$.

Daily capacity for within-day contracts shall be calculated as follows:

$C_{en/ex\ (n)\ (t)} = Q/h \times 24$

where

Q is the booked within-day transmission capacity expressed in MWh

h is the number of hours remaining until the end of a gas day available for transmission under the within-day contract.

3.7. The final tariff rate at each entry point (n) to the transmission network in calendar year (t) ($P_{en(n)(t)}$) and the final tariff rate at each exit point (n) from the transmission network in calendar year (t) ($P_{ex(n)(t)}$) shall be determined in compliance with sections 3.2. to 3.6. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) as follows:

$P_{en(n)(t)} = P_{0en(n)(m)(t)} \text{ x } (1 - \alpha_{(m)(t)}/1\ 000\ 000 \text{ x } C_{en(n)(t)}) \text{ x } I_{y/m/d}$

$P_{ex(n)(t)} = P_{0ex(n)(m)(t)} \text{ x } (1 - \alpha_{(m)(t)}/1\ 000\ 000 \text{ x } C_{ex(n)(t)}) \text{ x } I_{y/m/d}$

3.8. Annual payment for access and gas transmission via the transmission network determined in the manner described under section 3.1 of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) shall be applied in the first calendar year, in which gas transmission is performed under the contract. Where the agreed duration of gas transmission does not commence on 1 January of a calendar year, the network user shall, in the first calendar year, pay to the transmission system operator (eustream) a proportional part of the annual payment for gas transmission via the transmission network according to the number of days of the agreed duration of gas transmission in the calendar year relative to the total number of days of that calendar year. The transmission network user shall pay the yearly payment for gas transmission or, as the case may be, a proportional part thereof in the manner agreed in the contract.

3.9. The initial tariff rate at entry point (n) determined in Table No. 1 and the initial tariff rate at exit point (n) determined in Table No. 2 shall, for the subsequent calendar years, be calculated by the following formula:

$$P_{0en/ex(n)(m)(t)} = P_{0en/ex(n)(m)(t-1)} \times (1 + IR_{(t-2)}/100)$$

where

$P_{0en/ex(n)(m)(t)}$ is the adjusted initial tariff rate at entry point (n) to the transmission network or exit point (n) from the transmission network to be applied in the relevant calendar year (t),

$P_{0en/ex(n)(m)(t-1)}$ is the initial tariff rate at entry point (n) to the transmission network or exit point (n) from the transmission network, which was applied in the immediately preceding calendar year (t-1),

$IR_{(t-2)}$ is the inflation rate in the European Union, as published by Eurostat, item "HICP – annual average rate of change – European Union (annual rate of inflation - European Union)" valid in calendar year (t-2), expressed as a percentage and published as on 1 April of calendar year (t-1). If $IR_{(t-2)}$ is not published by 1 April of calendar year (t-1), the figure published in subsequent months of calendar year (t-1), namely as at the 1st day of the calendar month following the month, in which this figure was first published, shall be used. Backward revision of $IR_{(t-2)}$ published by Eurostat, if any, shall have no effect on the revision of the final tariff rate.

For contracts whose term includes the transition from one calendar year to the next one, the annual payment for access and gas transmission via the transmission network shall, in the first year of the contract term, be determined in the manner according to section 3.1. in conjunction with sections 3.2. to 3.6. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission), using the input data valid for the relevant calendar year and, in each subsequent calendar year (t), be calculated by the following formula:

$$P_{en/ex(n)(t)} = P_{en/ex(n)(t-1)} \times (1 + IR_{(t-2)}/100)$$

where

$P_{en/ex(n)(t)}$ is the adjusted final tariff rate at entry point (n) to the transmission network or exit point (n) from the transmission network to be applied in the relevant calendar year (t),

$P_{en/ex(n)(t-1)}$ is the final tariff rate at entry point (n) to the transmission network or exit point (n) from the transmission network, which was applied in the immediately preceding calendar year (t-1),

$IR_{(t-2)}$ is the inflation rate in the European Union, as published by Eurostat, item "HICP – annual average rate of change – European Union (annual rate of inflation - European Union)" valid in calendar year (t-2), expressed as a percentage and published as on 1 April of calendar year (t-1). If $IR_{(t-2)}$ is not published by 1 April of calendar year (t-1), the figure published in subsequent months of calendar year (t-1), namely as at the 1st day of the calendar month following the month, in which this figure was first published, shall be used. Backward revision of $IR_{(t-2)}$ published by Eurostat, if any, shall have no effect on the revision of the final tariff rate.

3.10. Where the agreed duration of gas transmission under the contract does not end in the last calendar year on 31 December of that calendar year, the transmission network user shall, in the last calendar year, pay to the transmission system operator (eustream) a proportional part of the annual payment for access and gas transmission via the transmission network pursuant to section 3.9. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) according to the number of days of the agreed duration of gas transmission in the calendar year relative to the total number of days of that calendar year.

3.11. The transmission network user shall provide to the transmission system operator (eustream) gas for the operational purposes of the transmission network, and this individually for each entry point to and each exit point from the transmission network. The transmission network user shall provide to the transmission system operator (eustream) gas for operational purposes in the manner agreed in the contract. The quantity of gas provided for operational purposes shall be determined by multiplying the allocated quantity of transmitted gas at each entry point to and each exit point from the transmission network of the network user (whichever is used) and relevant flow-based charge (gas for operational purposes) for entry point and exit point in accordance with the section 2. (Tariffs applicable to the quantity of actually transmitted gas for all entry/exit points) of part A. (Tariffs for access to the transmission network and gas transmission). The transmission network user and the transmission system operator (eustream) may in the contract also agree on the provision of gas for operational purposes in financial terms. In such case, the relevant quantity of gas for the operational purposes of the transmission network

shall be multiplied by the price (CEGHIX+0.25 €/MWh), by using the appropriate CEGHIX index valid on the day of the transmission.

3.12. The above-mentioned prices, tariffs and conditions for their application for access to the transmission network and gas transmission shall be applied by the transmission system operator (eustream) to contracts for access to the transmission network and gas transmission coming into force from 1 January 2023, unless otherwise specified.

3.13. The initial and final tariff rates, expressed in EUR/MWh/d/y, shall be rounded off to two (2) decimal places. The fee for increasing level of security of gas supply shall be rounded off to three (3) decimal places.

3.14. The above tariffs are stated exclusive of (without) value added tax.

4. Conditions for the application of neutrality charge

4.1. The payment of neutrality charge shall be calculated as follows:

$P_{NP} = NP_{vých} \times C_{NP}$

where

$NP_{vých}$ - is the rate of the neutrality charge
C_{NP} - is the allocated transmission capacity expressed in MWh calculated by multiplying the allocated transmission capacity for entry and/or exit border point expressed in MWh/d and the number of days, for which such capacity was allocated. Where capacity is allocated under within-day contracts, C_{NP} is the maximum number of MWh, which can be transmitted by the network user on the given day.

4.2. The payment of neutrality charge P_{NP} determined in accordance with section 4.1. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) shall be payable during the period, within which a period of gas transmission is agreed under the contract. Transmission network user shall pay the neutrality charge in the manner agreed in the contract.

4.3. If the allocated transmission capacity C_{NP} is interrupted, the payment of neutrality charge for the relevant day shall be calculated by multiplying $NP_{vých}$ and the quantity of transmitted gas actually allocated at the entry and/or exit border point on that gas day.

4.4. The neutrality charge will be charged and the conditions of its application will be applied by the transmission system operator (eustream) to transmission capacities allocated from 1 January 2023 (including) till 31 December 2023

(including). For the subsequent years, until the issuance of a new price decision regarding the neutralization charge and the conditions of its application, the aforementioned neutralization charge and the conditions of its application will be used.

4.5. The rate of neutrality charge is stated exclusive of (without) value added tax.

For the avoidance of doubt, for capacities allocated before 2 July 2021, in the event that there was no fulfilment according to the concluded contract (partial contracts for which capacity was allocated from 1 October 2022 and were allocated in auctions of annual products in preceding years, where based on them there was no fulfilment of the contract – gas transmission) the rate of neutrality charge is applied in the amount of 0.00 EUR/MWh of the allocated transmission capacity.

5. Conditions for the application of the fee for increasing the level of security of gas supply

5.1. The payment of the fee for increasing the level of security of gas supply shall be determined as follows:

$$P_{SOS(t)} = SOS_{(t)} \times C_{SOS(t)}$$

where

$SOS_{(t)}$ - is the rate of the fee for increasing the level of security of gas supply,

$C_{SOS(t)}$ – is the allocated transmission capacity expressed in MWh calculated by multiplying the allocated transmission capacity at the entry point domestic point and/or exit point domestic point expressed in MWh/d and the number of days, for which such capacity was allocated. Where capacity is allocated under within-day contracts, $C_{SOS(t)}$ is the maximum number of MWh that can be transmitted by the network user on the given day.

5.2. For contracts whose period includes the transition from one calendar year to the next one, the rate of the fee for increasing the level of security of gas supply shall, for the calendar year 2023, be determined in the manner according to section 5.2. of part A (Tariffs for access to the transmission network and gas transmission) and for each subsequent calendar year (t), be calculated by the following formula:

$$SOS_{(t)} = SOS_{(t-1)} \times (1 + IR_{(t-2)}/100)$$

where

$SOS_{(t)}$ - is the rate of the fee for increasing the level of security of gas supply for year (t),

$SOS_{(t-1)}$ - is the rate of the fee for increasing the level of security of gas supply for year (t-1),

IR(t-2) - is the inflation rate in the European Union, as published by Eurostat, item "HICP – annual average rate of change – European Union (annual rate of inflation - European Union)" valid in calendar year (t-2), expressed as a percentage and published as at 1 April of calendar year (t-1). If $IR_{(t-2)}$ is not published by 1 April of calendar year (t-1), the figure published in subsequent months of calendar year (t-1), namely as at the 1st day of the calendar month following the month, in which this figure was first published shall be used. Backward revision of $IR_{(t-2)}$, published by Eurostat, if any, shall have no effect on the revision of the rate of the fee for increasing the level of security of gas supply in the relevant calendar year (t) or in subsequent calendar years.

5.3. The payment of the fee for increasing the level of security of gas supply $P_{SOS(t)}$ determined in accordance with section 5.1. of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) shall apply during the period, within which a period of gas transmission is agreed under the contract. Transmission network users shall pay the fee for increasing the level of security of gas supply in the manner agreed in the contract.

5.4. If the allocated interruptible transmission capacity $C_{SOS(t)}$ is interrupted, the payment of the fee for increasing the level of security of gas supply for the relevant day shall be calculated by multiplying $SOS_{(t)}$ and the quantity of transmitted gas actually allocated at the entry point domestic point and/or exit point domestic point on the relevant gas day.

5.5. Transmission network users shall pay a fee for increasing the level of security of gas supply, which shall apply to all transmission capacities allocated at the entry point domestic point and/or exit point domestic point in accordance with this pricing decision. The rate of fee for increasing the level of security of gas supply in the level of 0.087 EUR/MWh of allocated transmission capacity for the year 2023 is the maximum, and the fee for increasing the level of security of gas supply will be applied from the start of commercial operation of the Polish-Slovak gas interconnection. The application of that maximum rate of the fee for increasing the level of security of gas supply results from the difference between the actual revenues from the sale of transmission capacities and required degree of utilization of the gas interconnection[1], submitted by the transmission system operator (eustream).

[1] The required degree of utilization represents the amount of payments for tariffs related to the booked transmission capacity in the amount of 3.685mil. EUR/year (at constant prices of the year 2016).

The transmission system operator (eustream) and the Regulatory Office for Network Industries will, after the start of commercial operation of the Polish-Slovak gas interconnection, regularly monitor (i) the level of capacity bookings on this interconnection, (ii) the level of actual revenues from tariffs related to the booked transmission capacity on this interconnection, and (iii) the level of actual revenues from the fee for increasing the level of security of gas supply. The level of actual revenues from the fee for increasing the level of security of gas supply will be compared with the positive difference between revenues resulting from the required degree of utilization of the Polish-Slovak gas interconnection[1] and actual revenues from tariffs related to the booked transmission capacity on this interconnection and the result of this comparison will be recorded in the compensation account.

The Regulatory Office for Network Industries, based on the methodology submitted by the transmission system operator (eustream), shall reassess the maximum rate of the fee for increasing the level of security of gas supply, (i) based on the level of actual capacity bookings on the Polish-Slovak gas interconnection, respectively (ii) on the basis of the positive balance of the compensation account. The minimum rate of the fee for increasing the level of the security of gas supply is 0.

6. Conditions for the application of CEGHIX index

6.1. The CEGHIX index is the price index determined on the basis of the products of „EEX CEGH Day ahead contracts“ of a trading platform EEX published on the website www.cegh.at.

6.2. In case of change of the name of the CEGHIX index or of the provider of the CEGHIX index, the CEGHIX index will be replaced with the index bearing the changed name or with an index provided by another relevant stock exchange entity, which can be assumed to be the replacement of the current CEGHIX index.

6.3. In case the CEGHIX index or its adequate replacement as defined in section 6.2 of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) is not available for five (5) working days or a shorter period, the last known value of the index shall be used.

6.4. If the CEGHIX index or its adequate replacement as defined in section 6.2 of the part B. (Conditions for the application of tariffs for access to the transmission network and gas transmission) is not available for a period longer than five (5) working days, the price index EGSI for the balancing zone THE in Germany will be used (the index is published on the website www.eex.com), adjusted by the value of the average difference between the CEGHIX index recorded in the last thirty (30) days, during which that index was available, and the index EGSI for the balancing zone THE.

According to § 7(2)(3) of the Decree of the Regulatory Office for the Network Industries No. 451/2022 Coll. which establishes the price regulation of selected regulated activities in the gas sector and some conditions for the performance of selected regulated activities in the gas sector, the price regulation for access to the transmission network and gas transmission for entry and exit points, which are interconnection points according to Article 3(2) of Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No. 984/2013 is carried out in accordance with a special regulation - Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas, based on the final consultation of the methodology for determining reference prices in accordance with Article 26 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas.

Based on the results of the final consultation, which the regulated entity announced on 6 November 2018, based on the decision of the Regulatory Office for the Network Industries No. 0001/2017/P-TS of 20 November 2017, the Regulatory Office for the Network Industries issued decision No. 0040/2019/P dated 29 May 2019, which determined prices for access to the transmission network and gas transmission for interconnection points under Article 3(2) of Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No. 984/2013 for the regulatory period starting from 1 January 2022.

Despite the extension of the regulatory period 2017-2021 until 31 December 2022, price regulation for these interconnection points under Article 3(2) of Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No. 984/2013 is from 1 January 2022 governed by the rules established in Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas and the price decision issued on its basis, i.e. decision No. 0040/2019/P of 29 May 2019. In relation to the period starting from 1 January 2023, the prices for access to the transmission network and gas transmission and the conditions of their application are applied in accordance with decision No. 0040/2019/P of 29 May 2019, until the new final consultation of the methodology for determining reference prices is carried out according to Article 26 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas and issuing a new decision of the office according to Article 27(4) of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas. According to Article 27(5) of the Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas, the regulated entity will conduct such a final consultation and the Regulatory Office for the Network Industries will issue a price

decision on its basis within five years of the issuance of the decision No. 0040/2019/P of 29 May 2019.

Pursuant to § 14(15) of Act No. 250/2012 Coll. of 31 July 2012 on regulation in network industries, as later amended and supplemented by consequential amendments, the price decision for the first year of the regulatory period (being year 2023) shall be valid for the whole regulatory period, unless a change of the price decision is approved by the Regulatory Office for Network Industries.

Pursuant to § 14(11) of Act No. 250/2012 Coll. of 31 July 2012 on regulation in network industries, as later amended and supplemented by consequential amendments, the Regulatory Office for Network Industries will publish the price decision(s) on its website.