

**RULING**

Ref. No.: 0092/2013/P  
Doc. No.: 4126-2013-BA

Bratislava 02.05.2013

The Regulatory Office for Network Industries under section 5, par. 1, item d) count 2 and item f) of the Act No. 276/2001 Coll. on the regulation in network industries, as amended and supplemented by consequential amendments, **has decided** on the issue of the change of the ruling No. 0003/2013/P from 10.10.2012, by which the prices for an access to the transmission network and gas transmission in 2013 was approved, **as follows:**

based on section 14, par. 5 and 6, item d) of the Act No. 276/2001 Coll. on the regulation in network industries, as amended and supplemented by consequential amendments, and in accordance with the section 3, item e) and section 4 item e) of the Decree of the Regulatory Office for Network Industries No.189/2011 Coll., which sets up the price regulation in network industries and the method of its implementation, together with section 5 to section 7 of the Decree of the Regulatory Office for Network Industries No. 216/2011 Coll., which sets up the scope of the price regulation in gas industry, as amended by the decree No. 169/2012 Coll., for the regulated entity **eustream, a.s.**, with its registered office at Votrubova 11/A, 821 09 Bratislava, company ID: 35 910 712, **changes** the ruling No. 0003/2013/P from 10.10.2012 with effectiveness from the date of delivery of this ruling until 31<sup>st</sup> December 2013 as follows:

In the operative part of the ruling the existing tariffs and conditions for the application of the tariffs for the access to the transmission network and gas transmission are being replaced as follows:

1. Tariffs for entry points to the transmission network:

Table No. 1

Tariff group (booked daily capacity, $T_{en(m)}$ )	Initial tariff rate at the entry point (n) ( $P_{0en(n)(m)(t)}$ ) (EUR/(MWh/d)/y)				
	Lanžhot	Baumgarten	Veľké Kapušany	Veľké Zlievce	Domáci bod
$T_{en1}$ (up 18 200 MWh)	102,76	79,39	160,53	105,84	15,14
$T_{en2}$ (over 18 200 MWh incl. up to 416 000 MWh)	104,37	80,63	163,04	107,50	15,38
$T_{en3}$	73,51	56,79	114,84	75,72	10,84

(416 000 MWh incl. up to 1 372 800 MWh)					
T <sub>en4</sub> (over 1 372 800 MWh incl.)	54,10	41,80	84,52	55,73	7,98

while the final tariff rate at the entry point (n) to the transmission network shall be determined for the calendar year (t) as follows:

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

where: P<sub>en(n)(t)</sub> – final tariff rate at the entry point (n) to the transmission network for the calendar year (t) (in EUR/(MWh/d)/y),

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

C<sub>en(n)(t)</sub> – contractually agreed daily capacity at the entry point (n) to the transmission network for the calendar year (t) (in MWh/d),

I<sub>y/m/d</sub> – duration factor, determined according to the type of the contract (in years/months/days),

n – entry point, for which the final rate shall be determined for the calendar year (t),

t –calendar year, for which the final rate shall be determined for entry point (n),

m = 1, for all C<sub>en(n)(t)</sub> up to 18 200 MWh,

m = 2, for all C<sub>en(n)(t)</sub> in the range btw. 18 200 MWh incl. up to 416 000 MWh,

m = 3, for all C<sub>en(n)(t)</sub> in the range btw. 416 000 MWh incl. up to 1 372 800 MWh,

m = 4, for all C<sub>en(n)(t)</sub> over 1 372 800 MWh incl.,

$\alpha_{(m)(t)} = 0$ , for m = 1 and m = 4,

$\alpha_{(m)(t)} = 0,8462$ , for m = 2,

$\alpha_{(m)(t)} = 0,1923$ , for m = 3.

## 2. Tariffs for exit points from the transmission network:

Table No. 2

Tariff group (booked daily capacity, T <sub>ex(m)</sub> )	Initial tariff rate at the exit point (n) (P <sub>0ex(n)(m)(t)</sub> ) (EUR/(MWh/d)/y)				
	Lanžhot	Baumgarten	Veľké Kapušany	Veľké Zlievce	Domáci bod
T <sub>ex1</sub> (up 18 200 MWh)	159,63	181,56	223,04	181,56	81,87
T <sub>ex2</sub> (over 18 200 MWh incl. up to 416 000 MWh)	162,13	184,40	226,53	184,40	83,15
T <sub>ex3</sub> (416 000 MWh incl. up to 1 372 800 MWh)	114,20	129,88	159,55	129,88	58,56
T <sub>ex4</sub> (over 1 372 800 MWh incl.)	84,05	95,59	117,43	95,59	43,10

while the final tariff rate at the exit point (n) from the transmission network shall be determined for the calendar year (t) as follows:

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

where:  $P_{ex(n)(t)}$  – final tariff rate at the exit point (n) from the transmission network for the calendar year (t) (in EUR/(MWh/d)/y),

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

$C_{ex(n)(t)}$  – contractually agreed daily capacity at the exit point (n) from the transmission network for the calendar year (t) (in MWh/d),

$I_{y/m/d}$  – duration factor, determined according to the type of contract (in years/months/days),

n – exit point, for which the final rate shall be determined for the calendar year (t),

t – the calendar year, for which the final rate shall be determined for exit point (n),

m = 1, for all  $C_{ex(n)(t)}$  up to 18 200 MWh,

m = 2, for all  $C_{ex(n)(t)}$  in the range btw. 18 200 MWh incl. up to 416 000 MWh,

m = 3, for all  $C_{ex(n)(t)}$  in the range btw. 416 000 MWh incl. up to 1 372 800 MWh,

m = 4, for all  $C_{ex(n)(t)}$  over 1 372 800 MWh incl.,

$\alpha_{(m)(t)} = 0$ , for m = 1 and m = 4,

$\alpha_{(m)(t)} = 0,8462$ , for m = 2,

$\alpha_{(m)(t)} = 0,1923$ , for m = 3.

### 3. Tariffs rates of gas for operational purposes:

Table No. 3

	Entry/exit points				
	Lanžhot	Baumgarten	Veľké Kapušany	Veľké Zlievce	Domáci bod
<b>Tariff rate at the entry point (%)</b>	0,10	0,14	0,60	0,10	0,00
<b>Tariff rate at the exit point (%)</b>	1,10	1,10	0,06	0,70	0,00

Conditions of applicability of tariffs for the access to the transmission network and gas transmission:

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

Tariff groups for the access to the transmission network and gas transmission (hereinafter referred to as “access and gas transmission”) are divided into tariff groups applicable for pricing of access and gas transmission through the entry points to the transmission network ( $T_{en(m)}$ ), and tariff groups applicable for pricing of access and gas transmission through the

exit points from the transmission network ( $T_{ex(m)}$ ), which further split into individual types on the basis of the contractually agreed daily capacity of the gas transmission through the entry point (n) to the transmission network for the calendar year (t) (hereinafter " $C_{en(n)(t)}$ ") and/or through the exit point (n) from the transmission network for the calendar year (t) (hereinafter " $C_{ex(n)(t)}$ ";  $C_{en(n)(t)}$  and/or  $C_{ex(n)(t)}$  hereinafter the „**daily capacity**“) stipulated in the contract on access to the transmission network and gas transmission concluded by and between eustream, a.s., with its registered office at Votrubova 11/A, 821 09 Bratislava (hereinafter referred to as "eustream") and the transmission network user (hereinafter referred to as „**contract**“) in the following manner:

- **tariff  $T_{en1}$**  – shall be used to evaluate the access and gas transmission through the entry points to the transmission network with daily capacity up to 18 200 MWh,
- **tariff  $T_{en2}$**  – shall be used to evaluate the access and gas transmission through the entry points to the transmission network with daily capacity over 18 200 MWh including and up to 416 000 MWh,
- **tariff  $T_{en3}$**  – shall be used to evaluate the access and gas transmission through the entry points to the transmission network with daily capacity over 416 000 MWh including and up to 1 372 800 MWh,
- **tariff  $T_{en4}$**  – shall be used to evaluate the access and gas transmission through entry points to the transmission network with daily capacity over 1 372 800 MWh including,
- **tariff  $T_{ex1}$**  – shall be used to evaluate the access and gas transmission through the exit points from the transmission network with daily capacity up to 18 200 MWh,
- **tariff  $T_{ex2}$**  – shall be used to evaluate the access and gas transmission through the exit points from the transmission network with daily capacity over 18 200 MWh including and up to 416 000 MWh,
- **tariff  $T_{ex3}$**  – shall be used to evaluate the access and gas transmission through the exit points from the transmission network with daily capacity over 416 000 MWh including and up to 1 372 800 MWh,
- **tariff  $T_{ex4}$**  – shall be used to evaluate the access and gas transmission through the exit points from the transmission network with daily capacity over 1 372 800 MWh including.

## 2. Structure of tariff groups for the access and gas transmission

- 2.1 Tariff groups for the access and gas transmission through the entry points to the transmission network ( $T_{en(m)}$ ) comprise initial tariff rates ( $P_{0en(n)(m)(t)}$ ) applied at the relevant entry points (n) to the transmission network in the calendar year (t).
- 2.2 Tariff groups for the access and gas transmission through the exit points from the transmission network ( $T_{ex(m)}$ ) comprise initial tariff rates ( $P_{0ex(n)(m)(t)}$ ) applied at the relevant exit points (n) from the transmission network in the calendar year (t).

## 3. Use of tariffs for the access and gas transmission

- 3.1 A yearly payment for the access and gas transmission through the transmission network for the calendar year (t) shall be determined as a sum of yearly payments for the calendar year (t) for each entry point to the transmission network and each exit point from the transmission network agreed in the contract in the following manner:

$$P_{(t)} = \sum_{n=1}^5 (P_{en(n)(t)} * C_{en(n)(t)}) + \sum_{n=1}^5 (P_{ex(n)(t)} * C_{ex(n)(t)})$$

- 3.2 The transmission network user shall be included in respect of each entry point to the transmission network and each exit point from the transmission network agreed in the transmission contract into a tariff group ( $T_{en(m)}$ ,  $T_{ex(m)}$ ) taking into account his total daily capacity of gas transmission agreed for each entry point and each exit point for the calendar year (t) ( $C_{en(n)(t)}$ ,  $C_{ex(n)(t)}$ ). Classification does not change depending on the real quantity of the transmitted gas.
- 3.3 The initial tariff rate at each entry point to the transmission network for the calendar year (t) ( $P_{0en(n)(m)(t)}$ ) and the initial tariff rate at each exit point from the transmission network for the calendar year (t) ( $P_{0ex(n)(m)(t)}$ ) applied within the tariffs groups, to which the network user is included in respect of each entry point and each exit point agreed in the contract, shall be determined pursuant to a specification of the entry points and exit points of the gas transmission provided for in the contract. The entry points to and the exit points from the transmission network shall be considered the following points:
- **Lanžhot** – shall be considered as the entry/exit point from/to the transmission network of gas facilities on the territory of the Czech Republic,
  - **Baumgarten** – shall be considered as the entry/exit point from/to the transmission network of gas facilities on the territory of the Austria,
  - **Veľké Kapušany** – shall be considered as the entry/exit point from/to the transmission network of gas facilities on the territory of the Ukraine,
  - **Veľké Zlievce** – shall be considered as the entry/exit point from/to the transmission network of gas facilities on the territory of the Hungary,
  - **Domestic point** – joint virtual point on the territory of the Slovak Republic; shall be considered as the entry/exit point from/to the gas distribution networks and storages located on the territory of the Slovak Republic.
- 3.4 Daily capacity factor ( $\alpha_{(m)(t)}$ ) shall be determined for each entry point to the transmission network and each exit point from the transmission network agreed in the contract for the calendar year (t) depending on the classification of the network user to the tariff group applied for a certain entry point and a certain exit point in the calendar year (t). For the network user included in respect of a certain entry point and/or a certain exit point to the tariff group  $T_{en1}$  and/or  $T_{ex1}$ , a daily capacity factor at the amount of 0 shall apply. For the network user included in respect of a certain entry point and/or a certain exit point to the tariff group  $T_{en2}$  and/or  $T_{ex2}$ , a daily capacity factor at the amount of 0.8462 shall apply. For the network user included in respect of a certain entry point and/or a certain exit point to the tariff group  $T_{en3}$  and/or  $T_{ex3}$ , a

daily capacity factor at the amount of 0.1923 shall apply. For the network user included in respect of a certain entry point and/or a certain exit point to the tariff group  $T_{en4}$  and/or  $T_{ex4}$ , a daily capacity factor at the amount of 0 shall apply.

- 3.5 Duration factor of long-term and one-year contracts ( $I_y$ ) shall be determined depending on the agreed number of years of the gas transmission agreed on the basis of the contract. If the number of years of the gas transmission performed by eustream shall be 20 years and more, the duration factor in the amount of 0.886 shall apply. If the number of years of the gas transmission performed by eustream shall be less than 20 years, the duration factor of long-term contracts shall be determined in the following manner:

$$I_y = 1.006 - 0.006 * D_y$$

where:  $D_y$  – duration of gas transmission under the contract in years.

- 3.6 Duration factor of short-term (monthly or daily) contracts ( $I_{m/d}$ ) shall be determined depending on the agreed number of months/days of the gas transmission agreed on the basis of the contract. The duration factor of short-term contracts shall be determined in the following manner:

For monthly contracts:

$$I_m = 0.1 + 0.1 * D_m$$

where:  $D_m$  – duration of gas transmission under the contract in months.

For daily contracts:

$$I_d = 0.001 + 0.0072 * D_d$$

where:  $D_d$  – duration of gas transmission under the contract in days.

- 3.7 The final tariff rate at each entry point to the transmission network for the calendar year (t) ( $P_{en(n)(t)}$ ) and the final tariff rate at each exit point from the transmission network for the calendar year (t) ( $P_{ex(n)(t)}$ ) shall be determined in accordance with the Sections 3.2 to 3.6 above in the following manner:

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

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

- 3.8 The yearly payment for the access and gas transmission through the transmission network determined pursuant to Section 3.1 shall apply in the first calendar year of the gas transmission on the basis of the contract. If the agreed time period of the gas transmission does not start on 1<sup>st</sup> January 2013, the network user is obligated to pay in the first calendar year to eustream a proportionate part of the yearly payment for the access and gas transmission through the transmission network, which shall be determined as a ratio of days of the agreed time period of the transmission in the given

calendar year to the total number of days in the given calendar year. The network user shall pay the yearly payment for the access and gas transmission, or its proportionate part, in a manner agreed in the contract.

- 3.9 The yearly payment for the access and gas transmission through the transmission network for each following calendar year (t) for contracts with duration which includes the change between consecutive calendar years shall be always from the 1<sup>st</sup> January of the following year determined pursuant to Section 3.1 in accordance with Sections 3.2 to 3.6 by applying the entry data valid for each relevant calendar year (t), whereby the applied initial tariff rate for each entry point to the transmission network and exit point from the transmission network shall be the applicable rate given in the table No. 1 or the table No. 2 above adjusted in the following manner:

$$P_{0en/ex(n)(m)(t)} = P_{0en/ex(n)(m)(t-1)} * (1 + 0,5 * IR_{(t-2)}/100)$$

where:  $P_{0en/ex(n)(m)(t)}$  – adjusted figure of the initial tariff rate for an entry point (n) to the transmission network or an exit point (n) from the transmission network to be applied in the relevant calendar year (t),

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

$IR_{(t-2)}$  – inflation index in the European Union published by the office of Eurostat, item “HICP - annual average inflation rate - European Union” valid in the calendar year (t-2), determined in percentage.

- 3.10 If the agreed time period of the gas transmission does not end in the last calendar year of the agreed time period of the transmission performance on the basis of the contract on 31<sup>st</sup> of December of the given calendar year, the network user is obligated to pay in the last calendar year to eustream a proportionate part of the yearly payment for the access and gas transmission through the transmission network determined pursuant to Section 3.9, which shall be determined as a ratio of days of the agreed time period of the transmission in the given calendar year to the total number of days in the given calendar year.

- 3.11 The price for the access and gas transmission in the calendar year (t) for contracts with the interruptible transmission capacity shall be determined in a way that reflects the probability of the interruption. In such case the yearly payment for the access and gas transmission through the transmission network  $P_{(n)(t)}$  in the calendar year (t) is for yearly contract through the entry or exit point (n) determined by the following formula:

$$P_{(n)(t)} = P_{an-t} / y * \sum_{n=1}^y [L_i]$$

where:

$P_{(n)(t)}$  – yearly payment for the access and gas transmission through the entry or exit point (n),

$P_{an-t}$  – yearly payment for the transmission capacity without interruption,

y – total number of days in the relevant year (t),

$L_I$  – factor of real interruption, if  $C_S/C_I \geq 0.04$ , then  $L_I = C_S/C_I$   
if  $C_S/C_I < 0.04$ , then  $L_I = 0.04$

$C_S$  – really offered interruptible capacity in the case of interruption or limitation of the transmission,

$C_I$  – interruptible daily capacity agreed in the contract.

Monthly invoices of yearly payment  $P_{(n)(t)}$  are not equal, but reflect the interruption in the respective month.

- 3.12 The transmission network user is obligated to provide eustream gas for operational purposes of the transmission network for each entry point to the transmission network and each exit point from the transmission network separately. The transmission network user shall provide eustream gas for operational purposes in the way agreed in the contract. The volume of the provided gas for operational purposes shall be determined as a multiplication of the real metered and transported volume of gas at each entry point of the user to the transmission network and each exit point of the user from the transmission network (according to which one is used) and applicable rates of gas for operational purposes, stipulated in Table No. 3. The transmission network user and eustream should on the transmission contract agree also on provision of the gas for operational purposes in financial terms. In such a case, the respective quantity of gas for operational purposes shall be multiplied by price CEGHIX, published on website of the company CEGH Gas Exchange of Wiener Boerse ([www.ceghex.com](http://www.ceghex.com)), valid for the day of the transmission.
- 3.13 In case that the network user exceeds the contractually agreed daily capacity at the entry or exit point (n), then the network user is obliged to pay the overrun charge as specified in the section 48 of the Decree of Regulatory Office for Network Industries No. 24/2013 Coll., which lays down the rules for the functioning of the internal market with electricity and rules for functioning of the internal market with gas.
- 3.14 In case that the network user concludes the contract, in which the daily transmission capacities are booked at the same entry and exit point simultaneously during the same time period, then the cheaper from two final tariffs for this entry/exit point is reduced by 25% for the respective time period of simultaneous booking. In case that the booked daily capacities at the same entry and exit point are not equal, then the reduction is applied up to the amount of the smaller of the respective daily capacities.
- 3.15 The mentioned prices, tariffs and conditions of their application for the access to the transmission network and gas transmission shall be applied by eustream for the contracts on access to the transmission network and gas transmission concluded within the time period from the date of delivery of this ruling till 31<sup>st</sup> December 2013.
- 3.16 The tariffs laid down in this Ruling are without VAT.