**Summary of the responses to the final consultation on information referred to in the Article 26(1) of the Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas**

**Introduction**

On March 11, 2024, the Slovak transmission system operator, company eustream, a.s. (hereinafter referred also to as “Eustream”), based on the decision of the Regulatory Office for Network Industries No.  0001/2017/P-TS, dated  on  November  20,  2017, launched a final consultation regarding the reference price methodology for access to the transmission network and gas transmission in the Slovak Republic (hereinafter referred also to as the “final consultation”) in accordance with the requirements set in the Article 26 of the Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas (hereinafter referred also to as “TAR NC”). The final consultation, published on the website of the company Eustream, was opened to all interested parties. Market participants were invited to join the final consultation and submit their responses to the published Final Consultation Document including related documents until May 11, 2024.

**Summary**

In response to the final consultation on information referred to in Article 26(1) of the TAR NC, including the proposed reference price methodology, conducted by the company Eustream, pursuant to the Article 26 of the TAR NC, the following entities replied:

* Energy Traders Europe
* Východoslovenská energetika a.s.
* SEFE Marketing & Trading Limited
* MEKH (Hungarian Energy and Public Utility Regulatory Authority)

Meeting the requirements set in the Article 26(3) of the TAR NC, Eustream hereby publishes the consultation responses received and their summary. In order to make the consultation process more transparent and to render it more effective, the summary is published in Slovak as well as in English language. In case of any discrepancy between the original version of the received responses and their interpretation in the summary, the original version of the received responses shall prevail.

The consultation responses received referred to the following aspects of the consulted documents regarding the final consultation:

* Comments on the proposed level of the transmission tariffs. Although there were expectations regarding tariff increase and there is an understanding for the TSO’s need to implement appropriate revenue recovery mechanism reflecting also the current geopolitical situation and its impact on the energy markets, the proposed tariffs might be too distortive as they might increase costs of supplying gas to the region even further; thus, negatively impact security of supply, they might have detrimental impact on the Slovak gas market. There was also a remark on the preference for a gradual approach to tariff increase and longer-term visibility;
* Remark regarding more transparency in some calculations as there was some difficulty in understanding to what extent the long-term booked capacities and the related revenues have been factored in the calculations;
* Remark regarding providing more specifications related to which transit routes benchmarking has been performed and whether the adjusted reference tariffs allow Eustream to collect the target revenues;
* Comments on the need for further consultation of the floating price system set to apply from 2025, which encompasses all entry and exit points, before it is implemented;
* Comments on the proposed timing related to the issuance of the price decision in terms of tariff setting in order to provide the regulatory stability and certainty. That said, a timely decision on any tariff change is needed, in advance of the annual auctions in order to provide certainty to network users and their customers. There was also remark on providing more clarification regarding the mix up of the concepts of regulatory vs. tariff period;
* Comments on different views on the amount of forecasted contracted capacity at some interconnection points (hereinafter referred also to as “IP”), such as IP Výrava and IP Veľké Zlievce (HU>SK);
* Remarks regarding the proposed adjustments of tariffs at entry points from and exit points to storage facilities and suggestion to consider certain conditions for application of such discounts (such as assessment of the technical capacity);
* Remarks regarding the proposed amount of the target revenues in accordance with the proposed tariff level after benchmarking and remarks on how it can be ensured that the TSO receives all the necessary revenues to cover its costs, and how cost-reflectivity of tariffs can be preserved;
* Comments on the provided level of a detail in respect to the service “Shorthaul – Domestic”, recommendation for more information on this issue and justification how this service (or the proposed discount) could be brought in line with the certain provisions of TAR NC, comment regarding the calculation of the cost allocation assessments (CAA) in connection with this service;
* Comment on the tariff model calculation in the sense that since the tariff for each point is determined ultimately by benchmarking and is affected only by the inflation, the changes in contracted capacities and the utilisation of the system do not have an effect on the fees. Remark that this factor limits the usability of the model;
* Remarks on requirement for more clarity on Ukraine route in the upcoming period.