



Consultation document on discounts, multipliers and seasonal factors

Romanian Regulatory Authority for Energy - ANRE intends to use for setting transmission tariffs for 2021-2021 gas year

As required by art. 28 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas, ANRE has to conduct a consultation with the national regulatory authorities of all directly connected Member States and the relevant stakeholders on the following:

- (a) the level of multipliers;
- (b) the level of seasonal factors and the calculations set out in art. 15;
- (c) the levels of discounts set out in articles 9 (2) and 16.

For the gas/tariff year 1 octomber 2021 – 30 september 2022, ANRE proposes the calculation of reserve prices for non-yearly standard capacity products for firm capacity with seasonal factors and multipliers.

The level of multipliers and seasonal factors is the same for all entry and exit points.

The aim of using seasonal factors is to induce an increase in the reserved prices over periods with a high transmission system utilization rate and a decrease in the reserved prices over periods with a reduced transmission system utilization rate, to promote an efficient use of the system by applying penalties/incentives to change the flows from the high demand periods (winter) to lower demand periods (summer) and by reducing the negative impact profiled capacity booking may have on the stability of TSO revenue and tariffs.

The level of the multipliers was established taking into account the following principles:

- ensuring the balance between facilitating short-term gas trade on the one hand, and providing long-term signals for efficient investments in the transmission system and ensuring efficient revenue recovery on the other;
- avoiding volatility of tariffs;

- the need to avoid cross-subsidisation between gas transmission network users (profiled users with a seasonal booking profile vs. flat profile users).

According to art. 13 of Regulation (EU) No. 460/2017, where seasonal factors are applied, the arithmetic mean over the entire gas year of the product of the multiplier applicable for the respective capacity product and the relevant seasonal factor must be within the following ranges, depending on the type of short-term capacity products:

- for quarterly and monthly standard capacity products the level of the average multiplication factor may be any value ranging between 1 and 1,5;
- for the daily and within-day products, the average level of the average multiplication factor may be any value ranging between:
 - o 1 and 3 for a transition period of 4 years of application;
 - o 1 and 1,5, after the transition period.

The level of multipliers, seasonal factors and the calculations set out in art. 15 are part of this document and presented as an Annex to it, in electronic Microsoft Excel Worksheet format.

Regarding the level of discounts referred to in art. 9 (2) and 16, presented also in Annex of this document, ANRE proposes the following:

- the provisions of art. 9 (2) are not applicable to the Romanian transmission system as no LNG facilities or infrastructure developed with the purpose of ending the isolation of Member States in respect of their gas transmission systems are connected to the system;
- for the calculation of reserve prices for standard capacity products for interruptible capacity as set out in art. 16, ANRE proposes the use of:
 - o an ex-ante discount of 16,50% applicable to daily standard capacity products for interruptible capacity at the entry interconnection point Csanádpalota, from Hungary to Romania, based on the capacity interruptions incurred;
 - o an ex-post discount, in accordance to art. 16 (4), applicable to all the other entry/exit points regarding the fact that there was no interruption of capacity due to the physical congestion in the preceding gas year.

ANRE invites all interested parties to submit their responses no later than 30 April 2021 at anre@anre.ro, in Microsoft Word sau Adobe Acrobat editable document.

Also, where the responses submitted to ANRE contain any confidential data which can not be published by ANRE on its website as part of summary consultation document, this shall be explicitly and clearly indicated or stated, otherwise ANRE will consider as the responder consents to the processing and publication of the information submitted.