



Information published according to article 30 of Regulation EU no.460/2017

2017-2018

**Information used for the determination
of the transmission tariffs related to
Isaccea I – Negru Voda I pipeline,
during 01 October 2017 – 30 September
2018**

1. Information regarding the parameters used within the methodology applied for the determination of the total revenue and of the transmission tariffs related to the Isaccea I – Negru-Voda I pipeline, related to the technical features of the NTS

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- a) technical capacity in each entry and exit point and related assumptions

Information may be found at:

Entry - www.transgaz.ro/sites/default/files/uploads/users/admin/conducta_t1_intrare_01.10.2017.xlsx

Exit - www.transgaz.ro/sites/default/files/uploads/users/admin/conducta_t1_iesire_01.10.2017.xlsx

- b) contracted capacity estimated for each entry and exit point and related assumptions

Information may be found at:

www.transgaz.ro/sites/default/files/uploads/users/admin/estimari_rezervari_t1_2017-2018.xlsx

- c) quantity and direction of gas flow for each entry and exit point and related assumptions, such as the demand and supply for the gas flow at peak consumption

Information may be found at:

www.transgaz.ro/sites/default/files/uploads/users/admin/conducta_t1_2017_2018.pdf

- d) detailed structural representation of the transmission network

Information may be found at:

www.transgaz.ro/sites/default/files/uploads/users/admin/conducta_t1_2017_2018.pdf

- e) additional technical information regarding the transmission network, such as length and diameter of the pipelines and power of gas compressor stations

Information may be found at:

www.transgaz.ro/sites/default/files/uploads/users/admin/conducta_t1_2017_2018.pdf

2. Information regarding the total revenue determined according to the provisions of Order no. 34/2016 of ANRE Chairman

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- a) The total revenue allowed to be recovered by the transmission operator during October 2017 – September 2018 amounts to Lei 56.21 mil.
- b) Changes in the approved revenues from one year to another

Ratio	Approved revenues Oct.2016-Sept.2017 (Lei mil)	Approved revenues Oct.2017-Sept.2018 (mil lei)	Revenue evolution
1	2	3	3/2 %
Total approved revenues	56,21	56,21	100%

- c) Determination of the total revenues

1. The total revenue is determined based on a benchmarking-type comparative analysis substantiated by the transmission tariffs used in EU countries having transmission conditions comparable with the profile of the gas transmission pipelines Isaccea – Negru Voda and offering similar services, for a period of 12 calendar months.

2. Information regarding the total revenue determined according to the provisions of Order no. 34/2016 of ANRE Chairman

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2. The benchmarking analysis factors in the tariffs used by companies having the same tariff system (entry/exit) applied for their high-pressure networks and the circumstances corresponding to the profile of the pipelines Isaccea-Negru Voda, as follows:

- a) transmitted amount;
- b) load factor: 8.000 hours/year;
- c) pipeline length: 200 km.

3. The total revenue is determined by taking into account the minimum values of the hourly tariffs under scrutiny, the available hourly capacity and the number of hours during the period the service provision refers. This revenue underlies the determination of the capacity booking charge related to the pipelines Isaccea-Negru Voda.

- **Indicators of the approved total revenue for the period Oct. 2017- Sept.2018**
- a) The total revenue approved by ANRE is fully recovered by means of capacity booking tariffs. No commodity tariffs are applied.
- b) Pursuant to Order no. 34/2016, for the determination of the capacity booking transmission tariffs, the total revenue is 50 % allocated to entry points and 50% to exit points respectively.
- c) The ratio between the revenue estimated to be obtained from network use inside the system, both at entry and at exit points, and the revenue estimated to be obtained from network use between the transmission systems both at entry and at exit points between October 2017 and September 2018 is 0:

No.	Indicator	Approved revenue October 2017-September 2018 (mil. RON)	Share in the total revenue
1	Revenue from network use inside the system	0	0%
2	Revenue from network use between the transmission systems	56,21	100%
*	Total revenue	954.322,39	

3. Information on the transmission tariffs approved by ANRE Order 73/2017 for the period October 2017-September 2018

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- Transmission tariffs for the capacity booking products, approved for the period October 2017-September 2018, expressed in RON/MWh/hour

National Transmission System entry/exit point/group of entry/exit points		Types of gas transmission services RON/kWh/h(25°C/o°C)						
		Long term	Short term					
			Quarterly		Monthly		Daily	
		Annual	Summer	Winter	Summer	Winter	Summer	Winter
NTS entry point/group of entry points	Isaccea 1 entry point	0.0007954	0.0008670	0,0012010	0.0010022	0.0013840	0.0020044	0.0027679
NTS exit points/group of exit points	Group of Negru Voda 1 exit points and the exit points for gas supply to Romanian towns	0.0007954	0.0008670	0,0012010	0.0010022	0.0013840	0.0020044	0.0027679

3. Information on the transmission tariffs approved by ANRE Order 73/2017 for the period October 2017-September 2018

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- The tariffs for the capacity booking products were set according to the methodology approved by ANRE Order 34/2016 by the following formula:

- For the long-term capacity booking products

$$TCpl = \frac{VRCp}{CRp_{tl} \times N_{tl} + \sum_{ts=1}^n (CRp_{ts} \times N_{ts} \times K_{ts})} \text{ [RON/kWh/hour]}$$

where: TCpl – is the transmission tariff for firm long-term capacity booking for the group of entry/exit points (gr);

VRCp - is the total revenue booking component value allocated at the entry/exit points/group of entry/exit points

CRptl – is the capacity estimated to be booked over the long term in the period for which the transmission tariffs are set, by entry/exit points/group of entry/exit points;

CRpts - is the capacity estimated to be booked over the short term in the period for which the transmission tariffs are set by entry/exit points/group of entry/exit points

$N_{tl,ts}$ – number of hours for each type of service.

$K(ts)$ – the multiplication ratio of the capacity booking tariff for the type of firm short-term service.

- For the short-term capacity booking products

$$TCps = TCpl \times K(ts) \text{ [lei/MWh/oră]}$$

where: TC(gr(ts)) – is the capacity booking tariff for firm short-term service for the group of entry/exit points (gr);

TC(gr(tl)) - is the capacity booking tariff for firm long-term service for the group of entry/exit points (gr);

$K(ts)$ - the multiplication ratio of the capacity booking tariff for the type of firm short-term service.

4. Model for estimation of evolution of regulated tariffs for gas transmission

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- **The model for estimation of possible gas transmission regulated tariff evolution may be found at:**

www.transgaz.ro/sites/default/files/uploads/users/admin/simplified_model_for_tariff_estimation.xlsx

Instructions for use:

To estimate the possible evolution of gas transmission regulated tariffs, users must fill in the green cells with the following:

- the totale estimated revenue
- the estimated booked transmission capacity for each type of product
- the multiplication ratios estimated for the short-term capacity booking products