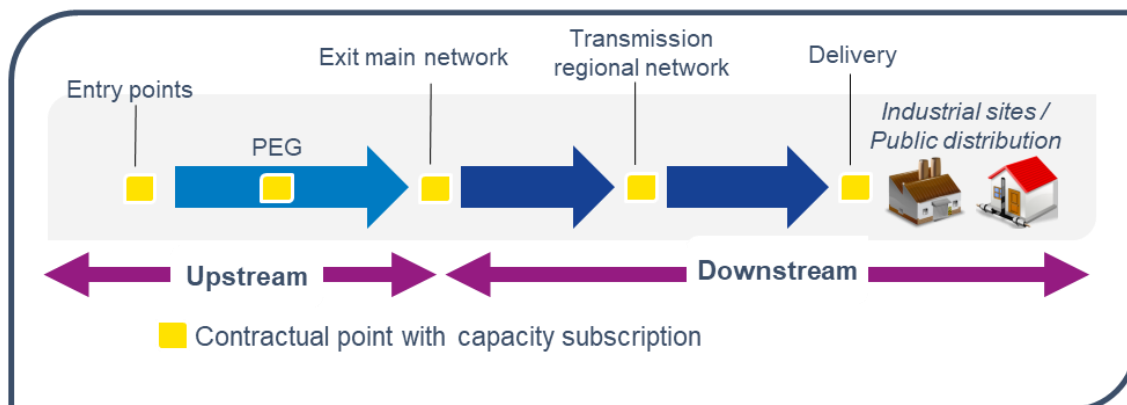


Downstream network transmission tariff principles

The tariff for access to the regional network is broken down into two main terms: the regional network term and the delivery term. An exit capacity term relative to the main network also applies.

Scheme of transmission tariff principles on the network



Exit capacity from the main network

Each consumer delivery point (PLC), each transport distribution interface point (PITD) and each regional network interconnection point (PIRR) is linked up to an exit capacity zone. In a given exit capacity zone, there is an automatic subscription of annual firm exit capacity from the main network in excess or equal to the sum of the annual firm delivery capacity of the PLCs, PITDs and PIRRs within this exit capacity zone.

Transmission on the regional network

The tariff for transmission on the regional network to a given consumer delivery point (PLC), a regional network interconnection point (PIRR) or a transport distribution interface point (PITD) consists only of one term, or **TCR**: the term of transmission capacity on the regional network. This term is both proportional:

- to the regional transmission capacity subscribed for the corresponding delivery point
- to the regional tariff level (NTR) for the relevant delivery point.

The **NTR** (regional tariff level) is set by the CRE for each consumer delivery point (PLC), each regional network interconnection point (PITD) and each transport distribution interface point (PITD). It is established as a function of the cost of transmission of the gas from the main network to the relevant delivery point, but excludes connection.

Delivery

For a given consumer delivery point (PLC) or regional network interconnection point (PIRR), the delivery tariff is composed of two terms:

- **The delivery capacity term (TCL):** this term is proportional to the subscribed delivery capacity at the relevant delivery point
- **The fixed delivery term (TFL):** this is a fixed term per year that is proportional to the number of delivery stations. For the consumer delivery points and for the regional network interconnection points, in the event of several shippers supplying the delivery point simultaneously, this term is shared proportionally to their subscribed delivery capacity. The fixed delivery term is due each month as long as the delivery point is active, whatever the annual subscription level (and included if it amounts to zero)

For a given transport distribution interface point, the tariff relative to delivery only comprises one term, i.e. the delivery capacity term (TCL). This term is a proportion of the subscribed delivery capacity at the relevant delivery point.

To download the list of consumer delivery points with the respective regional tariff levels and delivery stations, please refer to the "[List of consumers connected to the network](#)".

To download the list of transport distribution interface points and the respective regional tariff levels, please refer to the "[List of PITDs](#)".

Determination of transmission tariffs for new delivery points on the regional network

Connections

When a new infrastructure is built to supply a single consumer or a single public distribution system, it is basically treated as a Connection, and therefore financed by the consumer or distributor under the terms of a connection contract. In the case of a connection, the Regional Tariff Level that applies to the new Delivery Point is the level that applies at the Connection point.

Extensions

Basically, a structure designed to supply several consumers will be treated as an extension to the Regional Network, and transmission on the latter extension will be financed by applying a transmission tariff increment (between the starting point of the extension and the Delivery Points) proportional to the capacity subscribed on that extension.

The method of determining the NTR reflects the estimated costs on the date the tariff is calculated: it provides an effective economic indicator for evaluating extension projects (in particular, costly extensions are reflected in high transmission tariffs). The general principle of the method used is as follows: before a new section is built, one calculates the price which - on the basis of a provisional schedule of flows and volumes to be carried over the section - would be sufficient to recover the updated costs of the project over that period as assessed on that date:

- forecast investment for the section
- provisional operating costs for the section

For each new section in a new extension, the corresponding tariff is established on the date when the investment is planned, to ensure that the two following amounts are equal:

- the adjusted amount, in constant currency over 20 years, of planned investment for this section and the associated annual operating costs
- the amount, adjusted in the same way, of additional transmission revenue, defined on the basis of forecast subscriptions on the section under consideration

For a new Delivery Point, the value – as calculated in the method described above – is then rounded down to the nearest whole number to obtain the value of the Regional Tariff Level (NTR) of the new Delivery Point under consideration.

For new extensions, the tariff at a delivery point is calculated, following the tree structure of the network, from the starting point of the new extension to the delivery point in question, by adding together the tariff at the starting point of the new extension and the tariffs corresponding to each of the sections on the route by which the gas is transported (toll method). This method:

- maintains continuity with the previous costs according to the STS tariff concept, which have been transposed into NTR for existing points
- results in determining the NTR of the new delivery points

The main costs

Point	Annual tariff
Exit upstream network (TCS) Eur/MWh/d	95.20
Transmission on downstream network (TCR) Eur/MWh/d	84.29
Delivery (TCL) Eur/MWh/d	
PIRR	43.06
PITD	49.52
Highly modulated sites	0*
Other PLC	33.54
Fix cost (TFL) in Eur/year	6,472.55

- Cost for yearly interruptible = 50% cost for annual firm

- Cost monthly capacity = coeff x cost annual capacity

- coeff = 4/12th in December, January and February
- coeff = 2/12th in March and November
- coeff = 1/12th in April, May, June, September, October
- coeff = 0.5/12th in July and August

- Cost firm daily capacity = 1/30th of cost for monthly capacity

- Cost interruptible daily capacity = 50% x cost daily firm capacity

* the TCL of the SFM is worth 33.54€/MWh/d/year for hourly capacity and daily capacity excess

For further information about the current tariff, please consult our [website](#).