INFORMATION ON TRANSMISSION AND NON-TRANSMISSION TARIFFS ACCOMPANIED BY THE RELEVANT INFORMATION RELATED TO THEIR DERIVATION

1. COMMODITY-BASED TRANSMISSION TARIFFS REFERRED TO IN ARTICLE 4(3) — ARTICLE 30(1)(C)(I)

GAZ-SYSTEM does not charge commodity-based tariffs. This solution is in line with the provisions of national tariff regulation and is allowed by the provisions of the TAR NC.

2. NON-TRANSMISSION TARIFFS FOR NON-TRANSMISSION SERVICES REFERRED TO IN ARTICLE 4(4) — ARTICLE 30(1)(C)(II)

GAZ-SYSTEM provide in Tariff for year 2023 non-transmission services related to gaseous fuel pressure reduction and gas compression services upon request of the customer.

Allowed revenue in year 2023 is the sum of revenue from transmission services (P_{UP}) and revenue from compression services P_{US} and revenue from reduction services (P_{UR}).

2.1. GASEOUS FUEL PRESSURE REDUCTION SERVICE

Gaseous fuel pressure reduction service is a service provided by the TSO on the technological equipment installed at the exit points from the transmission system.
The calculation of reference prices of gaseous fuel pressure reduction service is based on the regulated revenue for this service determined by the 'cost plus' method.
This means that operating costs associated with the operation of pressure reduction and metering stations for the provision of reduction services are separated from the cost base of GAZ-SYSTEM in the process of tariff approval and then increased by the return on capital employed on the assets separated as assets for the provision of reduction services.

A fixed fee will be charged for gaseous fuel pressure reduction service at physical exit points on the transmission system in order to reduce the pressure of gaseous fuel at the interconnection of a gas station with the installation of the Network User at the request of the Network User; the amount charged will depend on the contractual capacity assigned to a given Network User in that physical exit point.

$$O_R = S_{SR} * M_p * T/100$$

where:

O_R	- fee charged for providing the gaseous fuel pressure reduction service at a physical exit point [PLN],
S_{SR}	- fixed rate for providing pressure reduction services at a physical exit point per each hour in a billing period [gr/(kWh/h) per h], stipulated in para. 0,
M_p	- capacity at the physical exit point [kWh/h],
T	- number of hours in the billing period [h].

The fee charged for providing the gaseous fuel pressure reduction service is given in the below table:

Network Users taking off E group high-methane gas	
fixed rate for providing pressure reduction services S_{SR} [gr/(kWh/h) per h]	0.0502
Network Users taking off L group (Lw subgroup) low-methane gas	
fixed rate for providing pressure reduction services S_{SR} [gr/(kWh/h) per h]	0.0466

The indicative regulated revenue related to the gas pressure reduction service amounts to **PLN 93 million.**

2.2. GASEOUS FUEL COMPRESSING SERVICES AT SELECTED PHYSICAL ENTRY POINTS

The scope of compressing service and rules governing its provision, including parameters concerning the pressurisation of gaseous fuel and the method of measuring and billing this service, is regulated by a separate contract for the provision of gaseous fuel compressing services, agreed between the TSO and the Network User requesting compressing service.

At the request of the Network User, the GAZ-SYSTEM will provide gaseous fuel compressing services at selected physical entry points to the transmission system, using compressor stations whose capacity is not fully taken up for the needs of the transmission system.

Compressing service is subject to an additional fee, billed by the TSO in the form of a fixed subscription fee and a variable fee.

The total monthly fee due for the provision of compressing services on one physical entry point serving as the location where gaseous fuel is introduced into the transmission system to be

compressed and transmitted downstream will be calculated using the following formula:

$$O_S = S_{SS} + (Q_z * CRG)$$

where:

O_S – compressing service fee [PLN],

S_{SS} – amount of the subscription fee charged for providing compressing service [PLN/month], stipulated in para. 0

Q_z – amount of gaseous fuel used to power compressors in the compressor station used to provide the service at a given physical entry point, in the part applicable to the provided gaseous fuel compressing service [kWh],

CRG – Gas Reference Price [PLN/kWh]. The published CRG applicable in the billing period will be used to calculate the fee.

Subscription fees are billed for each gas month in which compressing service is provided and per each physical entry point serving as the location where gaseous fuel is introduced into the transmission system to be compressed and transmitted downstream.

The subscription fee charged for providing compressing service is given in the below table:

amount of the subscription fee charged for providing compressing service S_{SS} [PLN/month]	205,060.00

Variable fees charged for providing compressing service at a given physical entry point is calculated for a given billing period based on the amount of gaseous fuel used to power compressors in the compressor station used to provide the service at a given physical entry point, in the part applicable to the provided gaseous fuel compressing service, and on the CRG (GRP – gas reference price).

The calculation of reference prices for gaseous fuel compressing services is based on the regulated revenue for this service determined by the 'cost plus' method.

This means that operating costs associated with the operation of compressing services are separated from the cost base of GAZ-SYSTEM in the process of tariff approval and then increased by the return on capital employed on the assets separated as assets for the provision of reduction services.

The indicative regulated revenue related to gaseous fuel compressing services amounts to **PLN 72 million.**

3. REFERENCE PRICES AND OTHER PRICES APPLICABLE AT POINTS OTHER THAN THOSE REFERRED TO IN ARTICLE 29.

The table presents the rates of capacity-based transmission rates for all points of the GAZ-SYSTEM transmission system, Article 30(1)(c)(iii).

	Capacity-based rate [gr/(kWh/h) per h]
Entry E	0.4642
Exit E	0.2532
Entry UGS	0.0928
Exit UGS	0.0506
Entry Lw	0.2925
Exit Lw	0.1721