

Comments to the reference prices methodology

1. Discount at entry points from storage facilities

Article 9 of NC TAR enables OGP Gaz-System S.A. to apply discount at interconnection point with storage facilities and entry points from LNG facilities.

According to the simplified tariff model for high-methane system, as well as the discount description included in chapter 2 of NTS Methodology, the 80% discount (which has already been applied) will remain applicable for reference price at interconnections between transmission system and storage facilities. On the other hand, 100% discount remains applicable at entry point from LNG facility into transmission system.

Article 28 of NC TAR obliges national regulatory authority to organise public consultation regarding discount applicable at entry point from LNG facility. The Energy Regulatory Office clarifies on pages 10-11 of the consultation document that discount dedicated to transmission tariff can be applied in order to increase security of supplies.

From the security of supplies perspective, LNG and storage facilities play similar role. It was confirmed by the Energy Regulatory Office's document which presented the structure of gas sources which supplied transmission system between 2017 and 2020:

Entry to system	H-Gas 2017		H-Gas 2018		H-Gas 2019		H-Gas 2020	
	[TWh]	[%]	[TWh]	[%]	[TWh]	[%]	[TWh]	[%]
Storages	23,7	4,3	25,0	4,5	18,0	3,2	30,4	5,7
LNG Terminal	18,4	3,3	29,5	5,3	35,9	6,4	40,0	7,5

The comparable significance of gas storage and LNG facilities justifies the application of the same discount level at interconnection points with storage and LNG – i.e. 100%.

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