Urząd Regulacji Energetyki / Energy Regulatory Office
By e-mail: nctar@ure.gov.pl

Gaz-System
By e-mail: nctar@gaz-system.pl

For information:
Ministerstwo Energii / Energy Ministry
Ms Elżbieta Piskorz, Dyrektor Departamentu Ropy i Gazu
By e-mail: Elzbieta.Piskorz@me.gov.pl

Brussels, 19 October 2018

Equinor response to consultations on NC TAR implementation

Dear Sir or Madam,

Equinor would like to thank you for the opportunity to comment on the two consultation documents regarding the implementation of the Network Code on Harmonised Transmission Tariff Structures for Gas (NC TAR). We are combining our response to both consultations in this document and have comments on two points: multipliers and the entry-exit split.

Multipliers for quarterly, monthly and daily products

Based upon our understanding of the Polish gas market and the tariff structure for entry and exit capacity, Equinor believes the suggested multipliers are too high compared to tariff structures and corresponding multipliers used in other relevant European markets. If the ambition of Poland is to develop a regional gas hub complying with the general criteria for gas hubs (e.g. providing liquidity and trustworthy pricing indices), Poland needs to attract significant gas volumes also from market participants who will be active in the shorter term of the Polish market. High multipliers for short-term capacity are making this more challenging to obtain. Multipliers closer to the level in Germany and Denmark will make shorter term imports from these markets (through existing pipelines and the future Baltic Pipe) more attractive and gradually reduce the price spread between the Polish and Western European hubs.

Entry-Exit split and resulting increase of entry tariffs

Equinor believes that the suggested change in the entry-exit split may have negative consequences for the development of a Polish regional gas hub. As the consultation document does not seem to explain why it is suggested to modify the split from 45/55 to 50/50, we would welcome additional explanations to help us understand the rationale for this proposed change. Assuming all other things remaining equal, the resulting higher entry tariffs would make it less attractive to flow gas to the Polish market. The flows of flexible gas volumes, like much of the gas production on the Norwegian Continental Shelf, quickly react to changes in entry tariffs, based on net-cost calculations. When Baltic Pipe is in operation, higher entry tariffs into the

Equinor ASA
Registered number
923609016

Main address
Forusbeen 50
4033 Forus
NORWAY

Email
chschu@equinor.com

www.equinor.com

Polish market will make this transportation route less attractive for shorter term outlets for Norwegian gas compared to other routes. Therefore, it might be worth considering a different split for Polish gas transmission tariffs to encourage Polish market liquidity development.

Yours sincerely,

Christian Schülke

Christian Schülke
Adviser Government and Regulatory Affairs
Equinor