

Tariffs for Access to the Transmission Network and Gas Transmission

Valid from 02 October 2015

This English translation of the Tariffs for Access to the Transmission Network and Transmission of Gas of eustream, a.s. shall not be legally binding and is for convenience only. The legally binding access to the network shall only be granted on the basis of the Slovak version of the relevant decisions issued by the Regulatory Office for Network Industries of the Slovak Republic.

Part A: Tariffs for Access to the Transmission Network and Gas Transmission

1. Initial Tariff rates applicable at the entry points to the transmission network in the calendar year 2014

Table No. 1

Tariff Group (booked daily capacity, $T_{en(m)}$)	Initial Tariff Rate at the entry point (n) ($P_{0en(n)(m)(2014)}$) (EUR/(MWh/d)/y)					
	Lanžhot	Baumgarten	Velké Kapušany	Budince	Velké Zlievce	Domestic point
T_{en1} (18 200 MWh/d)	104.10	80.42	162.62	162.62	107.22	15.34
T_{en2} (above and including 18 200 MWh/d up to 416 000 MWh/d)	105.73	81.68	165.16	165.16	108.90	15.58
T_{en3} (above and including 416 000 MWh/d up to 1 372 800 MWh/d)	74.47	57.53	116.33	116.33	76.71	10.98
T_{en4} (above and including 1 372 800 MWh/d)	54.81	42.34	85.62	85.62	56.46	8.08

whereby, for the calendar years 2015 and 2016, the aforesaid Initial Tariff rates shall be determined in accordance with the following Equation:

$$P_{0en(n)(m)(t)} = P_{0en(n)(m)(t-1)} * (1 + 0.5 * IR_{(t-2)}/100)$$

where

$P_{0en(n)(m)(t)}$ – an adjusted Initial Tariff rate applicable at an entry point (n) to the transmission network, as applied in the given calendar year (t),

$P_{0en(n)(m)(t-1)}$ – an Initial Tariff rate applicable at an entry point (n) to the transmission network, as applied in the directly preceding calendar year (t-1),

$IR_{(t-2)}$ – an Inflation index in the European Union, as published by EUROSTAT, Item „HICP – Annual Average Inflation Rate – European Union“ as in force in the calendar year (t-2), expressed as a percentage.

The Resultant Tariff rate at an entry point (n) to the transmission network for the calendar year (t) shall be determined as follows below:

$$P_{en(n)(t)} = P_{0en(n)(m)(t)} * (1 - \alpha_{(m)(t)}/1\,000\,000 * C_{en(n)(t)}) * I_{y/m/d}$$

where

$P_{en(n)(t)}$ – a Resultant Tariff rate at an entry point (n) to the transmission network for the calendar year (t) (in EUR/(MWh/d)/y),

$\alpha_{(m)(t)}$ – a Daily capacity factor for a Tariff group (m) applied at an entry point to the transmission network for the calendar year (t) (in d/MWh),

$C_{en(n)(t)}$ – a Contractually agreed daily capacity at an entry point (n) to the transmission network for the calendar year (t) (in MWh/d),

$I_{y/m/d}$ – a Duration factor (in years/months/days),

n – an Entry point applying the Resultant rate determined for a calendar year (t),

t – a Calendar year applying the Resultant rate determined for an entry point (n),

m = 1 for all $C_{en(n)(t)}$ up to 18 200 MWh/d,

m = 2 for all $C_{en(n)(t)}$ in the interval above and including 18 200 MWh/d up to 416 000 MWh/d,

m = 3 for all $C_{en(n)(t)}$ in the interval above and including 416 000 MWh/d up to 1 372 800 MWh/d,

m = 4 for all $C_{en(n)(t)}$ above and including 1 372 800 MWh/d,

$\alpha_{(m)(t)} = 0$, for m= 1 and m = 4,

$\alpha_{(m)(t)} = 0.8462$, for m = 2,

$\alpha_{(m)(t)} = 0.1923$, for m = 3.

2. Resultant Tariff rates for exit points from the transmission network in the calendar year 2014:

Table No. 2

Tariff Group (booked daily capacity, $T_{ex(m)}$)	Initial Tariff Rate at exit point (n) ($P_{0ex(n)(m)(2014)}$) (EUR/(MWh/d)/y)					
	Lanžhot	Baumgarten	Veľké Kapušany	Budince	Veľké Zlievce	Domestic point
T_{ex1} (up to 18 200 MWh/d)	161.72	183.92	225.94	225.94	183.92	82.93
T_{ex2} (above and including 18 200 MWh/d up to 416 000 MWh/d)	164.25	186.80	229.47	229.47	186.80	84.23
T_{ex3} (above and including 416 000 MWh/d up to 1 372 800 MWh/d)	115.68	131.57	161.62	161.62	131.57	59.33
T_{ex4} (above and including 1 372 800 MWh/d)	85.14	96.84	118.95	118.95	96.84	43.67

determined in accordance with the following Equation for the calendar years 2015 and 2016 :

$$P_{0\text{ex}(n)(m)(t)} = P_{0\text{ex}(n)(m)(t-1)} * (1 + 0.5 * IR_{(t-2)}/100)$$

where

$P_{0\text{ex}(n)(m)(t)}$ – an Adjusted Initial Tariff rate applicable at an exit point (n) from the transmission network, applied in the given calendar year (t),

$P_{0\text{ex}(n)(m)(t-1)}$ – an Initial Tariff rate applicable at an exit point (n) from the transmission network, applied in the directly preceding calendar year (t-1),

$IR_{(t-2)}$ – an Inflation index in the European Union, as published by EUROSTAT, Item „HICP – Annual Average Inflation Rate – European Union“ as in force in the calendar year (t-2), expressed as a percentage.

The Resultant Tariff rate at an exit point (n) from the transmission network for the calendar year (t) shall be determined as follows below:

$$P_{\text{ex}(n)(t)} = P_{0\text{ex}(n)(m)(t)} * (1 - \alpha_{(m)(t)}/1\ 000\ 000 * C_{\text{ex}(n)(t)}) * I_{y/m/d}$$

where

$P_{\text{ex}(n)(t)}$ – a Resultant Tariff rate at an exit point (n) from the transmission network pre calendar year (t) (in EUR/(MWh/d)/y),

$\alpha_{(m)(t)}$ – a Daily capacity factor for a Tariff group (m), applied at an exit point from the transmission network for the calendar year (t) (in d/MWh),

$C_{\text{ex}(n)(t)}$ – a Contractually agreed daily capacity at an exit point (n) from the transmission network for the calendar year (t) (in MWh/d),

$I_{y/m/d}$ – a Duration factor (in years/months/days),

n – an Exit point, applying the Resultant rate determined for a calendar year (t),

t – a Calendar year, applying the Resultant rate determined for an exit point (n),

m = 1 for all $C_{\text{ex}(n)(t)}$ up to 18 200 MWh/d,

m = 2 for all $C_{\text{ex}(n)(t)}$ in the interval above and including 18 200 MWh/d up to 416 000 MWh/d,

m = 3, for all $C_{\text{ex}(n)(t)}$ in the interval above and including 416 000 MWh/d up to 1 372 800 MWh/d,

m = 4, for all $C_{\text{ex}(n)(t)}$ above and including 1 372 800 MWh/d,

$\alpha_{(m)(t)} = 0$, for m= 1 a m = 4,

$\alpha_{(m)(t)} = 0.8462$, for m = 2,

$\alpha_{(m)(t)} = 0.1923$, for m = 3.

3. Tariff rates applicable to the amount of actually transmitted gas, including gas for operational needs, for the calendar years 2014 - 2016:

Table No. 3

	Entry/Exit points					
	Lanžhot	Baumgarten	Veľké Kapušany	Budince	Veľké Zlievce	Domestic point
Tariff Rate at the Entry point (%)	0.10	0.14	0.60	0.60	0.10	0.00
Tariff Rate at the Exit point (%)	1.10	1.10	0.70	0.70	0.70	0.00

4. A Neutrality charge rate applicable to the transitional period (1.10.2015 - 31.12.2016)

A Neutrality charge is applicable in the transitional period, rated $NP_{prech} = 0.02$ EUR/MWh of the allocated transmission capacity, determined pursuant to the conditions of implementation of the Neutrality charge in the sense of this Decision.

5. Price calculation methodology applying to determination daily imbalance charge

The applicable price (in EUR/MWh) in order to calculate a Negative daily imbalance charge shall be determined as the higher of the following two prices:

- (i) Highest gas price of the gas purchase executed at the balancing platform for the given Gas day
- (ii) $(\text{Index CEGHIX} + 0.5) * (1 + \text{Small adjustment, expressed in \%})$.

The applicable price (in EUR/MWh) in order to calculate a Positive daily imbalance charge shall be determined as the lower of the following two prices:

- (i) Lowest gas price of the gas sale executed at the balancing platform for the given Gas day
- (ii) $(\text{Index CEGHIX} + 0.5) * (1 - \text{Small adjustment, expressed in \%})$

where

Small adjustment: 10 %

Index CEGHIX is the price index of the CEGH Gas Exchange of Wiener Börse (trading platform) for the given Gas day.

PART B: Tariff Application Conditions for Access to the Transmission Network and Gas Transmission:

1. Tariff types applicable to access to the transmission network and gas transmission

The tariff types applying to access to the transmission network and gas transmission (hereinafter referred to as „access and gas transmission “) are split into tariff groups, applicable to valuation of access and gas transmission through entry points to the transmission network ($T_{en(m)}$), and tariff groups applicable to valuation of access and gas transmission through exit points from the transmission network ($T_{ex(m)}$); they are additionally subdivided to individual subgroups on the basis of contractually agreed daily capacities of the gas transmission through a given entry point (n) to the transmission network in the given calendar year (t) (hereinafter referred to as „ $C_{en(n)(t)}$ “), and/or through a given exit point (n) from the transmission network in the given calendar year (t) (hereinafter referred to as „ $C_{ex(n)(t)}$ “; $C_{en(n)(t)}$ and/or $C_{ex(n)(t)}$, and further also referred to as „daily capacity“), as specified in the Contract for access to the transmission network and gas transmission, concluded by and between eustream, a.s., Votrubova 11/A, 821 09 Bratislava (hereinafter referred to as „eustream“) and a transmission network user (hereinafter referred to as „Contract“) as follows below:

- **Tariff T_{en1}** – used to valuate access and gas transmission through entry points to the transmission network at a daily capacity up to 18 200 MWh/d,
- **Tariff T_{en2}** – used to valuate access and gas transmission through entry points to the transmission network at a daily capacity above and including 18 200 MWh/d, maximally 416 000 MWh/d,
- **Tariff T_{en3}** – used to valuate access and gas transmission through entry points to the transmission network at a daily capacity above and including 416 000 MWh/d, maximally 1 372 800 MWh/d,
- **Tariff T_{en4}** – used to valuate access and gas transmission through entry points to the transmission network at a daily capacity above and including 1 372 800 MWh/d,
- **Tariff T_{ex1}** – used to valuate access and gas transmission through exit points from the transmission network at a daily capacity up to 18 200 MWh/d,
- **Tariff T_{ex2}** – used to valuate access and gas transmission through exit points from the transmission network at a daily capacity above and including 18 200 MWh/d, maximally 416 000 MWh/d,
- **Tariff T_{ex3}** – used to valuate access and gas transmission through exit points from the transmission network at a daily capacity above and including 416 000 MWh/d, maximally 1 372 800 MWh/d,
- **Tariff T_{ex4}** – used to valuate access and gas transmission through exit points from the transmission network at a daily capacity above and including 1 372 800 MWh/d.

2. Structure of Tariff Groups for access and gas transmission

- 2.1 The tariff groups for access and gas transmission through entry points to the transmission network ($T_{en(m)}$) comprise Initial Tariff rates ($P_{0en(n)(m)(t)}$) applicable at the respective entry points (n) to the transmission network in the calendar year (t).
- 2.2 The tariff groups for access and gas transmission through exit points from the transmission network ($T_{ex(m)}$) comprise Initial Tariff rates ($P_{0ex(n)(m)(t)}$) applicable at the respective exit points (n) from the transmission network in the calendar year (t).

3. Use of Tariffs for access and gas transmission

- 3.1 Annual payments payable for access and gas transmission in the transmission network in the calendar year (t) shall be determined as the sum of yearly payments designed for the calendar year (t) for each entry point to the transmission network and for each exit point from the transmission network, as agreed in the Contract:

$$P_{(t)} = \sum_{n=1}^6 (P_{en(n)(t)} * C_{en(n)(t)}) + \sum_{n=1}^6 (P_{ex(n)(t)} * C_{ex(n)(t)})$$

- 3.2 The transmission network user is grouped, for each entry point to the transmission network and for each exit point from the transmission network as agreed in the Contract, in the respective Tariff group ($T_{en(m)}, T_{ex(m)}$), depending on his total daily gas transmission capacity agreed for each entry point and for each exit point in the given calendar year (t) ($C_{en(n)(t)}, C_{ex(n)(t)}$). This grouping is not a subject to changes by actually transmitted gas quantities.
- 3.3 The Initial Tariff rate at each entry point to the transmission network for the calendar year (t) ($P_{0en(n)(m)(t)}$) and the Initial Tariff rate at each exit point from the transmission network for the calendar year (t) ($P_{0ex(n)(m)(t)}$), applicable within the tariff groups incorporating a network user for each entry point and for each exit point as agreed in the Contract, shall be determined in accordance with the specifications applying to the contractually agreed entry and exit points of the gas transmission network. The entry points to / exit points from the transmission network are defined as follows:
- **Lanžhot** – considered the entry/exit point from/to gas facilities of the transmission network on the territory of the Czech Republic,
 - **Baumgarten** – considered the entry/exit point from/to gas facilities of the transmission network on the territory of Austria,
 - **Velké Kapušany** – considered one of the entry/exit points from/to gas facilities of the transmission network on the territory of Ukraine,
 - **Budince** – considered one of the entry/exit points from/to gas facilities of the transmission network on the territory of Ukraine,

- **Veľké Zlievce** – considered the entry/exit point from/to gas facilities of the transmission network on the territory of Hungary,
- **Domestic point** – an aggregated virtual point on the territory of the Slovak Republic, considered an entry/exit point from/to the network of gas facilities used in the distribution of gas and from/to gas storage facilities on the territory of the Slovak Republic.

3.4 The daily capacity factor ($\alpha_{(m)(t)}$) shall be determined for each entry point to the transmission network and each exit point from the transmission network, as agreed in the Contract for the given calendar year (t), depending on incorporation of the network user in the Tariff group applicable to each entry point and each exit point in the calendar year (t). Concerning network users incorporated in the Tariff group T_{en1} and/or T_{ex1} for a specific entry point and/or a specific exit point the determined daily capacity factor value equals to zero. Concerning network users incorporated in the Tariff group T_{en2} and/or T_{ex2} for a specific entry point and/or a specific exit point the determined daily capacity factor value is 0.8462. Concerning network users incorporated in the Tariff group T_{en3} and/or T_{ex3} for a specific entry point and/or specific exit point the determined daily capacity factor value is 0.1923. Concerning network users incorporated in the Tariff group T_{en4} and/or T_{ex4} for a specific entry point and/or a specific exit point the determined daily capacity factor value is zero.

3.5 For long-term and yearly Contracts the duration factor (I_y) shall be determined in dependence on the agreed number of years of the contractually agreed gas transmission performance. In case the number of years wherein eustream shall perform the gas transmission is 20 and more years, the applicable duration factor is 0.886. In case the number of years wherein eustream shall perform the gas transmission is less than 20 years, the applicable duration factor is, for long-term Contracts, calculated as follows below:

$$I_y = 1.006 - 0.006 * D_y$$

where

D_y – Duration of the contractual gas transmission performance in years.

3.6 For short-term (monthly, daily and within-the-day) Contracts ($I_{m/d}$) the duration factor shall be determined in dependence on the agreed number of months/ days of the contractually agreed gas transmission performance. The duration factor applicable to short-term Contracts shall be calculated as follows below:

For monthly Contracts:

$$I_m = 0.1 + 0,1 * D_m$$

where

D_m – Duration of the contractual gas transmission performance in months.

For daily Contracts and within-day Contracts:

$$I_d = 0.001 + 0.0072 * D_d$$

where

D_d – Duration of the contractual gas transmission performance in days. For within-day Contracts the value $D_d = 1$ shall apply.

The daily capacity applying to within-day Contracts is calculated as follows:

$$C_{en/ex(n)(t)} = Q / h * 24$$

where

Q – a Booked within-day transmission capacity , expressed in MWh

h – Number of hours remaining for gas transmission until the end of the Gas day in accordance with the within-day Contract.

- 3.7 The Resultant Tariff rate at each entry point to the transmission network in the calendar year (t) ($P_{en(n)(t)}$) and the Resultant Tariff rate at each exit point from the transmission network in the calendar year (t) ($P_{ex(n)(t)}$) shall be determined in compliance with the above Sections 3.2 through 3.6 by the following method:

$$P_{en(n)(t)} = P_{0en(n)(m)(t)} * (1 - \alpha_{(m)(t)}/1\ 000\ 000 * C_{en(n)(t)}) * I_{y/m/d}$$

$$P_{ex(n)(t)} = P_{0ex(n)(m)(t)} * (1 - \alpha_{(m)(t)}/1\ 000\ 000 * C_{ex(n)(t)}) * I_{y/m/d}$$

- 3.8 Annual payments for access and gas transmission in the transmission network, determined by the method shown in the Section 3.1 shall be applied in the first calendar year of the contractual gas transmission performance. In cases where the agreed duration of gas transmission does not commence from 1 January in the given calendar year, a network user shall, in the first calendar year, pay to eustream the proportional part of the annual payment for gas transmission in the transmission network, determined by a proportional ratio of days in the agreed gas transmission performance period in the given calendar year, and of the total number of days in the given calendar year. The transmission network user shall pay the yearly gas transmission payment or a proportional part thereof by applying the contractually agreed method.
- 3.9 Annual payment for access and gas transmission in the transmission network in case of Contracts of which validity time include the transition time between consecutive calendar years shall, in the first year of the Contract validity, be determined by the method outlined in the Section 3.1 in conjunction with Sections 3.2 through 3.6, using the entry data applicable in the given calendar year, while the determination method for each subsequent calendar year (t) shall use the following equation:

$$P_{en/ex(n)(m)(t)} = P_{en/ex(n)(m)(t-1)} * (1 + 0.5 * IR_{(t-2)}/100)$$

where

$P_{en/ex(n)(m)(t)}$ – The adjusted Resultant Tariff rate for an entry point (n) to the transmission network or an exit point (n) from the transmission network, applicable in the given calendar year (t),

$P_{en/ex(n)(m)(t-1)}$ – The Resultant Tariff rate for an entry point (n) to the transmission network or for an exit point (n) from the transmission network that was applied in the directly preceding calendar year (t-1),

$IR_{(t-2)}$ – an Inflation index in the European Union, as published by EUROSTAT, Item „HICP – Annual Average Inflation Rate – European Union“ as in force in the calendar year (t-2), expressed as a percentage.

3.10 When the agreed time of gas transmission performance does not end, in the last calendar year of the contractually agreed gas transmission performance time on the 31 December of the given calendar year, a transmission network user shall pay to eustream, in the last calendar year, the proportional part of the annual payment for gas transmission in the transmission network, determined according to the Section 3.9 by the proportional ratio of days in the agreed gas transmission performance period in the given calendar year, and of the total number of days in the given calendar year.

3.11 The price for access and gas transmission in the transmission network in the calendar year (t) reflects, in the case of interruptible capacity, the probability of interruption. In such case the annual payment $P_{(n)(t)}$ for access and transmission of gas through the entry or exit point (n) for the calendar year (t) is determined for yearly Contracts according to the following equation:

$$P_{(n)(t)} = P_{an-t} / y * \sum_{n=1}^y [L_I]$$

where

$P_{(n)(t)}$ – an Annual payment for access and gas transmission through the entry or exit point (n),

P_{an-t} – an Annual payment for the interruptible transmission capacity,

y – Total number of days in the given year,

L_I – Factor reflecting the actual rate of interruption,

if $C_S/C_I \geq 0.04$, then $L_{In} = C_S/C_I$

if $C_S/C_I < 0.04$, then $L_{In} = 0.04$

C_S – actually offered interruptible transmission capacity value in cases of interruption or restriction,

C_I – The contractual daily interruptible transmission capacity.

The annual payment value $P_{(n)(t)}$ is not uniformly subdivided into monthly invoices but directly depends on the interruption related to the given month.

- 3.12 The transmission network user provides, to eustream, gas for operational needs of the transmission network, separately for each entry point to the transmission network and for each exit point from the transmission network. The transmission network user provides, to eustream, gas for operational needs of the transmission network by the contractually agreed method. The volume of the provided gas for operational needs shall be determined as the product of actually measured quantity of gas at each entry point of the user to the transmission network and at each exit point of the user from the transmission network (depending on which one is used) and the applicable pricing of gas for operational needs, shown in the Table No. 3. The transmission network user and eustream may contractually agree on the provision of gas for operational needs in a financial expression. In such cases the applicable quantity of gas for operational needs shall be multiplied with the CEGHIX price, published on the CEGH Gas Exchange of Wiener Börse website (www.ceghex.com) as in force in the transmission performance day.
- 3.13 The transmission network user who overruns the contractually agreed daily capacity at an entry or an exit point (n) shall pay a fee pursuant to provisions of § 48 in the Regulatory Office for Network Industries (ÚRSO) Decree No. 24/2013 Coll., dated 14 January 2013, establishing the rules for functioning of the internal market with electricity, and the rules for functioning of the internal market with gas.
- 3.14 eustream, a.s. shall apply the aforesaid prices, tariffs and application conditions in access to the transmission network and gas transmission to Contracts for access to the transmission network and transmission of gas, entered into force in the period from (including) the delivery date of this Decision until (including) 31 December 2016.
- 3.15 The Initial Tariff rates and Resultant Tariff rates expressed in EUR/MWh/d/y are rounded off to two (2) decimal points. The Initial Tariff rates and Resultant Tariff rates expressed in EURct/kWh/h/product, for purposes of the auction platform shall be rounded off to four (4) decimal points.
- 3.16 The Tariffs shown above exclude the value added tax.
- 3.17 The starting bid in an auction of the annual standard capacity product at the EU interconnection points, as defined in the document “Operational Order of the Transmission System Operator eustream, a.s., specifying the Commercial Conditions of Access to the Transmission Network and Gas Transmission, and of Connection to the Transmission Network” for firm and interruptible capacities in the sense of the Commission Regulation (EU) No. 984/2013, is calculated as in the Tariff T_{en1}/T_{ex1} for the given interconnection point. The starting bid in an auction for quarterly standard capacity products, monthly standard capacity, daily standard capacity and within-day capacity products at EU interconnection points for firm

and interruptible capacities in the sense of the Commission Regulation (EU) No. 984/2013 is calculated as in the Tariff T_{en1}/T_{ex1} for the given interconnection point, taking in account for short-term Contracts the time factor in the sense of the Article 3.6.

- 3.18 The premium auction, resulting from the auction of standard capacity products at EU interconnection points represents the income of eustream, applicable together with the Tariffs for access to the transmission network and transmission of gas.

4. Conditions of application of the Neutrality charge

- 4.1 Payments of the Neutrality charge shall be determined as follows:

$$P_{NP} = NP_{prech} * C_{NP}$$

where

NP_{prech} is the rate of the Neutrality charge,
 C_{NP} is the allocated transmission capacity expressed in MWh and determined as the multiplication of allocated transmission capacity at the entry border point and/or exit border point, expressed in MWh/d, and the number of days in the allocation period of the respective transmission capacity.

- 4.2 Payments of the Neutrality charge P_{NP} , determined as shown in the Section 4.1 shall be applied in the contractually agreed performance period of gas transmission. The transmission network user shall pay the Neutrality charge by the method outlined in the Contract.
- 4.3 In case of interruption of the allocated transmission capacity C_{NP} , a payment of the Neutrality charge for the respective day shall be determined as the multiplication of NP_{prech} and the actually allocated Gas quantity transported through the entry border point and/or exit border point in the given Gas day.
- 4.4 The Neutrality charge and its application conditions shall be applied by eustream to the transmission capacities allocated from the (included) delivery day of this Decision until (and including) 31 December 2016.
- 4.5 The Neutrality charge rate does not include the value added tax.

According to the Article 44(1) third sentence of Act No. 250/2012 Coll. on regulation in the network industries, the price decision applying to the year 2014 shall also apply to the years 2015 and 2016.

Tariffs for Access to the Transmission Network and Gas Transmission are stipulated in the Decision No. 0001/2014/P dated 2.9.2013 as amended by the Decisions No. 0103/2014/P dated 23.6.2014 and No. 0016/2015/P dated 1.10.2015 of the Regulatory Office for Network Industries.