

COMMISSION REGULATION (EU) 2017/460 of 16 March 2017 establishing a network code on harmonized transmission tariff structures for gas

Compliance with Article 30 “Information to be published before the tariff period”

30.1.(a).(i) – Technical capacity at entry and exit points and associated assumptions

Technical capacity is not relevant for the reference price methodology. Relevant information though is available via the following link:

<http://www.desfa.gr/en/regulated-services/transmission/pliforisimetaforas-page/relevant-points-and-capacities>

30.1.(a).(ii) – Forecasted contracted capacity at entry and exit points and associated assumptions

The forecasted capacities used to determine the capacity charges for 2024 are shown in the following table:

Year	Daily peak of Quantity delivered to each Entry (Nm ³ /day/year)				Daily peak of Quantity received by each Exit (Nm ³ /day/year)			
	Sidirokastro	N. Mesimvria	NE Zone*	Ag. Triada	Domestic Exit Points**	Sidirokastro (Exit Point Reverse flow)	N. Mesimvria (Exit Point Reverse flow)	IGB
2024	10.742.783	3.012.041	3.955.660	20.743.686	28.221.250	2.850.000	50.000	3.838.993

**NE Zone includes the entry point of Kipi and the entry point of Amfitriti*

*** includes former North Zone & South Zone Exit Points*

30.1.(a).(iii) – Quantity and direction of the gas flow for entry and exit points (including underlying assumptions)

	Sum of Quantities received in the Exits of the System (inc IPs) (Nm ³ /year)
2024	8.098.352.004

30.1.(a).(iv) – Structural representation of the transmission network

Structural representation of the transmission network is available via the following link:

<http://www.desfa.gr/en/national-natural-gas-system/transmission>

30.1.(a).(v) – Additional technical information about the transmission network

Not Applicable

30.1.(b). (i) – Allowed revenue of the transmission system operator

Required Revenue ¹ (€/Year)	
Year	Basic Activity of Transmission
2024	156,595,884

30.1.(b). (ii) – Information related to changes in revenue

Year	Basic Activity of Transmission (€) ¹
2023	143,306,832
2024	156,595,884
Change	9%

¹ Revenues refer to the approved Required Revenues and include the Required Revenue for Dispersion of LNG Activity and the Revenue related to the amount of the “Old Recoverable Difference” which will be recovered through a commodity charge, according to the provisions of the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW’s Decision E-59/2023, Government Gazette B 4192/29.06.2023). Please note that under the revised Tariff Regulation the Required Revenue refers to the revenue to be recovered from tariffs.

30.1.(b). (iii). (1) – Types of assets included in the Regulated Asset Base and their aggregated value

In the Regulated Asset Base of the Transmission System tangible and intangible assets are included as below:

- Land and plots,
- Buildings and building facilities,
- Machinery and mechanical installations,
- Transportation equipment,
- Furniture and fixture
- Fixed assets under construction or installation
- Intangible assets (rights of use, permits)
- Own production costs and
- Leasing contracts under IFRS 16

The aggregated net value of the aforementioned tangible and intangible assets of the transmission system is equal to 741,404,267€ for 2024 (excluding the Working Capital).

It should be mentioned that said amounts are net of grants, connection fees and interest during construction.

30.1.(b). (iii). (2) – Cost of capital and its calculation methodology

The approved Weighted Average Cost of Capital for 2024 is equal to 7,85% (nominal, pre-tax).

The calculation methodology is described in the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023) and is available via the following link: [Decision E-59 2023 Amendment.pdf \(desfa.gr\)](#)

30.1.(b). (iii). (3) – Capital expenditure information

(a) methodologies to determine the initial value of assets

The initial value of assets is based on the acquisition value of assets based on DESFA's Financial Statements

(b) methodologies to re-evaluate the assets

Based on the Tariff Regulation for Basic Activities of the National Natural Gas System any revaluation of Assets of the System Operator after the initial recording in the Financial Statements will not be taken into account in the RAB calculation according to the provisions of the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023).

(c) explanation of the evolution of the value of assets

The evolution of the value of assets is based on the above-mentioned principles.

(d) depreciation periods and amounts per asset type

Depreciation periods are based on the depreciation period per asset type, according to IFRS. The depreciation period indicatively per asset type is equal to:

Type of Asset	Years
Land and plots	0
Buildings	40
Other technical installations	10
Pipeline, M/R Stations & Compressor Stations	40
Machinery	6
Cars	10
Furniture & other equipment	10
IT	10

30.1.(b). (iii). (4) – Operational expenditures

Year	Operating Expenditures of the Transmission System (€)
2024	44,953,517

30.1.(b). (iii). (5) – Incentive mechanisms and efficiency targets

The 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023) has introduced incentives for the Controllable Opex & KPI monitoring (KPI incentive is applicable from 2025). OPEX incentive focuses on cost optimization, incentivizing DESFA to be more effective, outperform the regulated targets and “keep the upside” (in case DESFA results with cost savings - costs incurred are lower compared to the level of the Approved Controllable OPEX - DESFA will keep the savings. Otherwise, it will bear the risk of cost-overrun).

30.1.(b). (iii). (6) – Inflation indices

When related to forecasted data inflation is based on the latest available data on the International Monetary Fund’s website at the time of tariffs’ calculation. As for actual data, inflation is derived from ELSTAT.

30.1.(b). (iv) – The transmission services revenue

The transmission services revenue is assumed equal to the Required Revenue (refer to 30.1.b.i & 30.1.b.ii)

30.1.(b). (v) – Information on the ratios for the revenue referred to in point (iv) above:

1. Capacity-commodity split: 100%-0%²
2. Entry- Exit split: 50% -50%

3. Intra-system /Cross-system split: Cost Allocation Assessment results in a value of 6.2% according to Article 5, Commission Regulation (EU) 2017/460

² Commodity tariffs are only charged to the domestic exit points to recover the remaining amount of the “Old Recoverable Difference” balance.

30.1.(b). (vi). (1) & (2) – Actually obtained revenue and reconciliation mechanism

Any Over or Under-recovery of previous years (up to 2019) has been settled either directly through the tariffs of the following year (with a “t+2” year lag) or through the Old Recoverable Difference balance. During the years 2020-2022 the Over-Recoveries were settled through the tariffs with a two-year lag, smoothed across a period of five years to avoid tariff fluctuations. For any arising Recoverable Differences in the upcoming years, the settlement will take place with a two-year lag with a flexibility for smoothing, as defined in the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023).

30.1.(b). (vii) – the intended use of the auction premium

The revenues from auction premium in 2022 secured during the EU IP July 2022 auctions were transferred to the Security of Supply Account to be maintained for a period of five years (up to the end of 2027) according to the provisions of the national Law under Art. 73A, 4001/2011. Any revenues from auction premium to be received from 2024 onwards will be maintained in a separate account and will be used upon RAE’s decision either to fund investments required to relieve from congestion in the system or will be settled through the system’s tariffs, as this is defined in the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023).

30.1.(c) – Information on transmission and non-transmission services

(i) commodity-based transmission tariffs

Commodity based transmission tariffs are applied to the domestic exits of the Transmission system, based on the provision of Article 4.3.(b).(i) of the EU Tariff Regulation. Namely, the relevant tariff aims at recovering part of the “Old Recoverable Difference” amount, as this is defined in the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023).

2024	<u>ΣEMi_i (€/kWh GCV)</u>
Exit North Zone	0,0001831
Exit South Zone	0,0001831

(ii) non-transmission tariffs for non-transmission services

Please refer to relevant link for an analysis of the methodology used for the calculation of non-transmission tariffs: <http://www.desfa.gr/en/non-regulated-services/other-services>

(iii) the reference price and other prices applicable at points other than those referred to in Article 29

Capacity tariffs for other points than IPs are presented in the following link:

<http://www.desfa.gr/en/regulated-services/transmission/tariffs>

It shall be mentioned that said tariffs are applicable from 01.01.2024.

30.2.(a).(i) – Difference in the level of transmission tariffs for the same type of transmission service applicable for the prevailing tariff period and for the tariff period for which the information is published

The change in 2024 tariffs compared to 2023 tariffs is approximately -5%. The above figure refers to the change in the average tariff for the use of the system as defined in the Tariff Regulation. The average tariff is seen to decrease between 2023 and 2024 despite the increase in the Allowed Revenue, given the update on the investments (number of projects and budget) included in the RAB and the corresponding increase in the level of depreciation. Instead, said decrease is explained by the increase in the level of contracted capacity as a result of the introduction of new points in the NNGS and further export needs.

30.2.(a).(ii) – Estimated difference in the level of transmission tariffs for the same type of transmission service applicable for the tariff period for which the information is published and for each tariff period within the remainder of the regulatory period.

In accordance with the 6th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAWEW Decision E-59/2023, Government Gazette B 4192/29.06.2023) tariffs are calculated and approved by the Regulator on a yearly basis.