

**EC/1775/2005:
Draft explanatory note on tariffs**

EFET welcomes the explanatory note on tariffs.

- ➡ support the focus on non-discrimination and clarity in tariff calculations
- ➡ recognise that TSOs need to recover transparent, efficiently incurred costs; the regulated tariffs should allow this
- ➡ advise that market pricing means that capacity sold at different times may have different prices, but the regulated tariff should be the same for everyone - Implementation of 'same price for the same (primary) service' should not prevent secondary markets evolving
- ➡ achieving non-discriminatory tariffs is difficult if there are legacy arrangements, but there are several options to ensure that the tariffs for new entrants are not more than in the legacy agreements

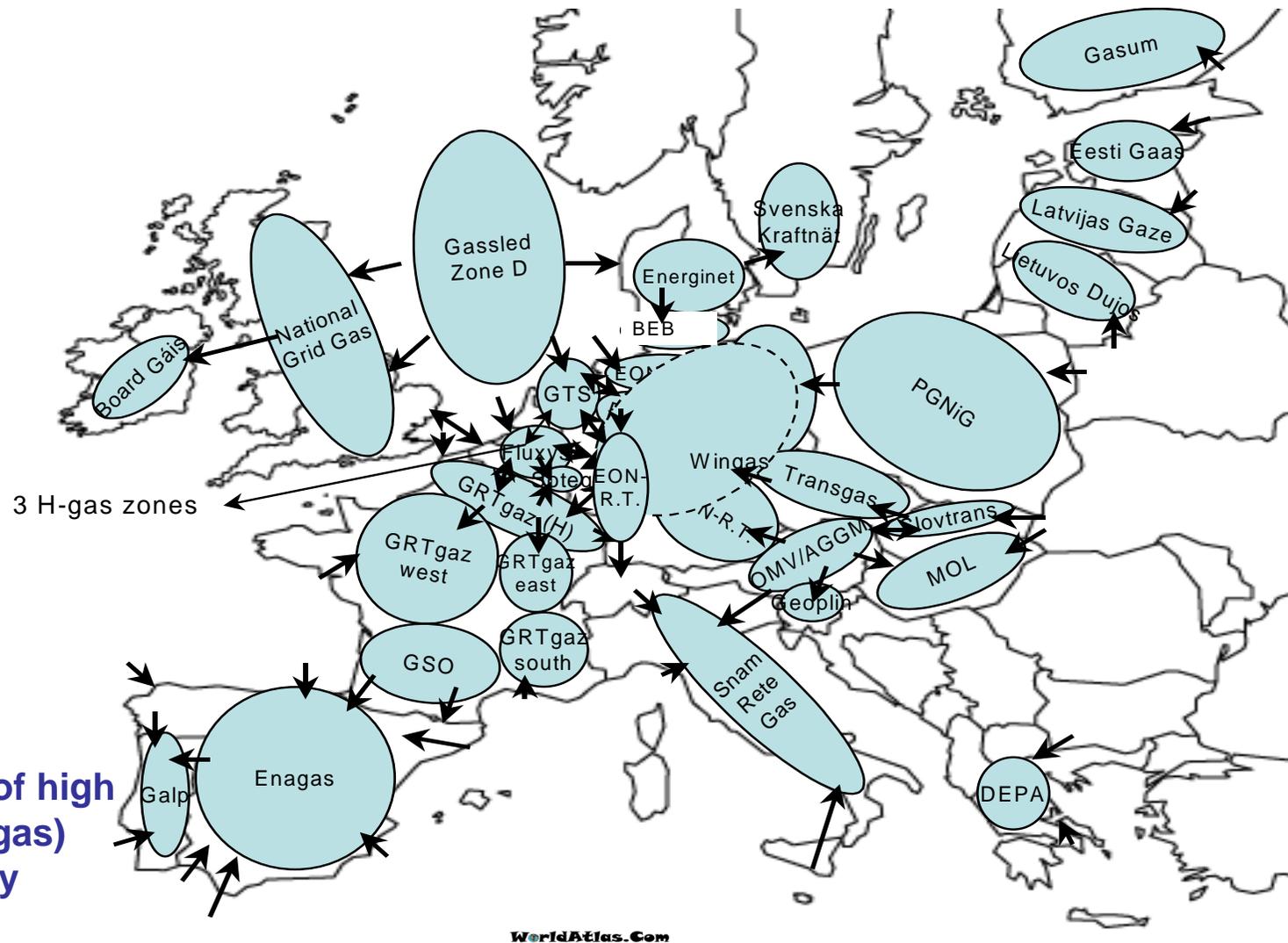
EFET suggests clarification of the relationship between regulated tariffs and their use in market-based pricing

- All primary capacity should normally be sold at the regulated tariff

- accept that the regulated tariff (not zero) should be the clearing price for capacity auctions when there is excess capacity

- If pipe-to-pipe competition were deemed to exist then (to attract users) the TSO would be expected to have a reserve/clearing price below the regulated tariff

Gas transmission* access systems in the EU



***schematic of high calorific (H-gas) systems only**

Area

Services

Capacity booking

Commodity trading

Transparency

Tariff structure

*** EFET Entry/Exit Project Group**

Overall results for benchmarking TSO Access Systems



Ranking of gas transmission access systems by comparison with weighted average score

