



European Commission
DG Energy and Transport



11th Florence forum

**Draft Transmission Tarification
guidelines**

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Patrick Rousseaux
Electricity and Gas Unit
Matti.Supponen@cec.eu.int



Directorate General for Energy and Transport



Draft guidelines, main issues



- **MAIN OBJECTIVE**
- **Progressive harmonisation of charges for Generators and Load including:**
 - ◆ **Inter-TSO compensation**
 - ◆ **International Locational Signals**
- **NOW (to revise before end 2006)**
- **Harmonisation of G
(national average G)**





Harmonisation of G



- **Harmonisation of Generation charges, to avoid distortions of competition**
- **In absolute value (ranges)**
- **Positive range allows financing to Inter-TSOs compensation fund by generators in exporting countries**
- **Average national G, which allows national locational signals**





Average national G



- **Harmonisation includes**
 - ◆ Capital costs
 - ◆ Operation costs
- **Not to harmonise**
 - ◆ Initial connection to network
 - ◆ Losses
 - ◆ Other ancillary services
- **Applied regardless of countries of destination and origin.**





Average national G



- **Average (arithmetic) of all hourly tariffs of the year including**
 - ◆ off-peak and peak-tariffs
 - ◆ different seasonal variations
- **If ‘capacity fee’ included,**
 - ◆ calculated for a generator assuming injecting electricity 5000 hours/year
- **When national locational signals**
 - ◆ weighted average, based on generation, of charges within internal regions





Values of Annual National Average G



- 0 to 0.5 €uro/MWh except:
- Nordel: max 0.85 €/MWh
- GB: max actual value
- Irl and NIE : max actual value

