



REPORT

FOR THE RECALCULATION OF

THE UNIT AMOUNT OF THE SECURITY SUPPLY FEE

for the Year 2022

20 April 2022

1. Introduction

The Regulatory Authority for Energy (RAE) with the Decision 1211/2018 amended the Decision 344/2014 Establishment of the maximum limit of the security of supply account, a unitary security of supply charge per category of natural gas customers and per standard power generation unit, in accordance with the provisions of article 73 of L. 4001/2011".

According to the aforementioned decision, the Operator shall announce the revaluated price of coefficient C until 30 of April each year.

2. Statement of the Security of Supply Account

The movements of the Security of Supply Account from the date of its entry into force until 31th March 2022 are the following:

TRANSACTIONS AND BALANCE OF SUPPLY SECURITY ACCOUNT		
	Invoicing Period	Data up to 31/03/2022
Inflows	Inflows from the beginning of the Security of Supply Account up until 31.03.2021	26.869.562,20 €
	Inflows of the Security of Supply Account from 01.04.2021 until 31.03.2022	1.755.951,10 €
	Total Inflows until 31.03.2022 (net value excluding VAT)	28.625.513,30 €
Outflows	Outflows of the Security of Supply Account until 31.03.2021 (net value excluding VAT)	18.773.371,38 €
	Payments of DESFA's to power production units that have concluded an agreement in accordance with the provisions of Article 73 (4) of Law 4001/2011 from 01.04.2021 until 31.03.2022 (Decision of RAE No 1211/2018)	4.149.932,67 €
	Due payments (invoiced) until 31.03.2022	85,61 €
	Total outflows until 31.03.2022 (net value excluding VAT)	22.923.389,66 €
	Bank Statement of Security of Supply account until 31.03.2022	5.702.123,64 €
Other Transactions Inflows	Interest until 31.03.2021	349.353,98 €
	Interest from 01.04.2021 until 31.03.2022	1.357,66 €
Other Transactions Outflows	Bank account expenses until 31.03.2021	909,00 €
	Bank account expenses from 01.04.2021 until 31.12.2021	2,00 €
Current balancing of Security of Supply account €		6.051.924,28 €
Current balancing of Security of Supply account (TYA) in million €		6,05 mil. €

3. Recalculation of the unit amount of the Security Supply Fee

In addition, according to the aforementioned RAE Decision, an annual fee adjustment algorithm is set “ensuring a balanced security of supply account, through a revaluation coefficient C , calculated according to the following formula (1):

$$C = 1 - \frac{TY\Lambda}{EK}$$

where $TY\Lambda$ is the current amount of the security of supply account in mil. € and EK are the yearly cost required to finance the relevant approved actions. The C -factor shall take values from 0-1 and shall be adjusted annually by the NNGS Operator, so that the amount of the Security of Supply Account does not exceed the ceiling set in Section G. In the case of a negative value in equation (1) the factor C is set to zero”.

In section Z of Decision 1211/20218 of RAE determines the maximum allowed limit of the Security of Supply Account.

According to this section “the TSO’s regular / fixed cost are resulted from:

A. the need to cover the annual consideration to the Power production units that hold license of alternative fuel, with whom it has been contracted through the contracts of paragraph 4 of article 73 of law 4001/2011. These liabilities, on an annual basis, are budgeted in the amount of **4.95 million €** and

B. the obligation to provide compensation to suppliers under the contracts provided in paragraph 5 of article 73 of Law 4001/2011. The maximum amount of compensation due to demand management, on an annual basis, according to section Δ of this decision, is set equal to **0.72 million €**.

For the Year 2022, the above mentioned have been considered for the calculation of the EK (annual cost required to finance the actions approved), therefore formula (1) is calculated as follows:

$$C = 1 - \frac{TY\Lambda}{EK} = 1 - \left(\frac{6,05}{4,95 + 0,72} \right) = 1 - \frac{6,05}{5,67}$$

The C -factor is calculated as a negative value; hence the C-factor is set to zero.

The unit amount of the security supply fee to be paid by Users for each category of natural gas consumption shall be adjusted from the 1st of May 2022 as follows:

- i. 0 €/MWh for the consumption of natural gas from interruptible consumers of natural gas as defined in RAE Decision 1211/2018**
- ii. 0 X 0,16 = 0 €/MWh for the consumption of natural gas exclusively for electricity production**
- iii. 0 X 0,18 = 0 €/MWh for all other natural gas consumption**
- iv. 0 X 0,48 = 0 €/MWh for the consumption of Natural Gas from Protected Consumers**