

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 2023 are shown in the following table:

Year	Daily peak of Quantity delivered to each Entry (m ³ /day/year)		Daily peak of Quantity received by each Exit (m ³ /day/year)		
	Sidirokastro - Kipi – N.Mesimvria	Ag. Triada	North Zone	South Zone	Sidirokastro - N. Mesimvria (Exit Point Reverse flow)
2023	14.154.634	12.855.528	7.163.922	24.799.450	2.739.726

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

	Sum of Quantities received by each Exit (inc exports of the IPs of the system) (m ³ /year)
2023	6.704.049.664

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

Allowed Revenue of each Activity (€/Year)	
Year	Transmission Activities
2023	113.929.069

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

Year	Basic Activity of Transmission (€)*
2022	122.800.449
2023**	143.306.832
Change	17%

**data of revenue refer to the approved allowed revenues*

*** In order for the two numbers to be comparable, the 2022 figure includes also the Allowed Revenue for Dispersion of LNG Activity and the Revenue related to the amount of the Old Recoverable Difference which will be recovered in 2022 through a commodity charge, according to the provisions of the 5th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAE Decision 1434/2020, O.G. B 2601/30.06.2020).*

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 far as tangible assets are concerned these include:

- land and plots,
- buildings and building facilities,
- machinery and mechanical installations,
- transportation equipment,
- furniture and fixture &
- fixed assets under construction or installation.

The aggregated net value of the aforementioned tangible and intangible assets of the transmission system is equal to:

For 2023: 586.626.458€

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

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

The approved Weighted Average Cost of Capital for 2023 is equal to 7,51% nominal pre-tax.

The calculation methodology is described in the approved 5th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAE Decision 1434/2020, O.G. B 4801/30.10.2020) and is available via the following link:

https://www.desfa.gr/userfiles/pdflist/DRSA/f_5th%20Amendment%20of%20the%20Tariff%20Regulation_EN_03112020_clean.pdf

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 and is adjusted according to the provisions of the 5th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAE Decision 1434/2020, O.G. B 4801/30.10.2021).

(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.

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

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

(d) depreciation periods and amounts per asset type

Depreciation periods are based on the depreciation period per asset type of the financial statements of the company. The depreciation period indicatively per asset type is equal to:

Type of Asset	Years
Land and plots	0
Buildings	20
Other technical installations	10
Pipeline & Compressor Stations	40
Machinery	6
Cars	5
Other transportation means	6
Furniture & other equipment	5
IT	5

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

Year	Operating Expenditures of the Transmission System (€)
2023	48.512.926

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

Not applicable

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

Inflation is based on latest available data in the International Monetary Fund’s website at the time of tariffs’ calculation.

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

The transmission services revenue is assumed equal to the allowed revenue

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

1. Capacity-commodity split: 100% -0%
2. Entry- Exit split: 50% -50%
3. Intra-system /Cross-system split: N/A (as there were assumed insignificant transit flows)

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 or through the Old Recoverable Difference balance.

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

Any revenue stemming from auction premium contributes to the generation of recoverable difference as it is part of the actually obtained revenue.

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

(i) commodity based transmission tariffs

Commodity based transmission tariffs are applied to the exits of the 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 5th Amendment of the Tariff Regulation of the Basic Activities of the National Natural Gas System (RAE Decision 1434/2020, O.G. B 4801/30.10.2020).

2023	<u>SEM_i (€/kWh GCV)</u>
Exit North Zone	0,0001621
Exit South Zone	0,0001621

(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 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 1.1.2023.

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 2023 tariffs compared to 2022 tariffs is approximately +21%. 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 increase between 2022 and 2023 is due to increased allowed revenue given the update on the investments (number of projects and budget) included in the RAB, the corresponding increase in the level of depreciation and the higher updated OPEX compared to the forecast.

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.

The Regulatory Period ends in 2022. In view of the ongoing review of the Tariff Regulation to be applicable from 2024 onwards, year 2023 is treated as a standalone year, where the existing regulation is still applicable, and the tariffs are approved as provisional according to the provisions of the Law 4001/2011.