

Publication according to Art. 19(1) (EU) 2024/1789 – Annex I: 1.1 – 1.5

Annex I of Regulation (EU) 2024/1789	Description	Information or link
§1 Information to be published on the methodology used to set the regulated revenue of the transmission system operator		
1.	The entity responsibility for calculating, setting and approving the different components of the methodology.	According to the Greek Law for the Operation of Electricity and Gas Energy markets 4001/2011, RAAEY (PAAEY) approves the Tariff Regulation, which governs the methodology for determining tariffs, following a proposal by the Operator and subject to public consultation. According to the Law and the Tariff Regulation, the Operator submits the necessary data for approval by RAAEY, which issues the relevant decision.
2.	A description of the methodology, including at least a description of:	
(a)	the overall methodology, such as revenue cap, hybrid, cost-plus or tariff benchmarking	Refer to the current Tariff Regulation RAAEY's Decision : E-193/2025 DESFA's regulatory regime is a cost-plus with incentives.
(b)	the methodology to set the regulatory asset base (RAB), including:	
	(i) methodology to determine the initial (opening) value of the assets as applied at the start of the relevant regulatory period and when incorporating new assets to the RAB (ii) methodology to re-evaluate assets (iii) explanations of the evolution of the value of the assets (iv) treatment of decommissioned assets depreciation methodology applied to the RAB, including any changes applied to the values	(i) Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 15. (ii) N/A (iii) Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 15. (iv) N/A (v) Tariff Regulation RAAEY's Decision (E-193/2025) Art. 14
(c)	the methodology to set the cost of capital	Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 19

(d)	the methodology to determine the total expenditure (TOTEX) or, if applicable, operational expenditure (OPEX) and capital expenditure (CAPEX);	Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 11-13 for OPEX and Art. 17 for investments
(e)	the methodology to determine the efficiency of the cost, if applicable	Opex Incentive Tariff Regulation RAAEY's Decision (E-193/2025) Art. 12.
(f)	the methodology applied to set the inflation	Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 4. The forecasted inflation rate is based on forecasts for Greece CPI (<i>source IMF</i>).
(g)	the methodology to determine premia and incentives	See point (e) above for incentives on Controllable OPEX. Furthermore, the Tariff Regulation provides for an incentive for Innovation projects as well as an incentive through operational KPIs. Refer to the current Tariff Regulation RAAEY's Decision (E-193/2025) Art. 18 (Incentives for Innovation Projects) and Art 22 & 23.
(h)	Non-controllable costs	Tariff Regulation RAAEY's Decision (E-193/2025) Art. 13.
(i)	services provided within the company holding, if applicable	N/A
3.	The values of the parameters used in the methodology:	
(a)	the detailed values of the parameters that are part of the cost of equity and cost of debt or weighted average cost of capital expressed in percentages;	Refer to RAAEY's Decision (E-69/2023) – Approval of the Allowed Revenue for the regulatory period 2024-2027: Table 5
(b)	depreciation periods in years applicable separately to pipelines and compressors;	DESFA applies the relevant accounting standards and procedures. The useful life considered for the determination of the Allowed Revenues is as follows: <u>Useful life</u> Pipeline, M/R Stations & Compressor Stations 40
(c)	changes to the depreciation period or in the acceleration of the depreciation applied to assets	N/A
(d)	efficiency targets in percentages	N/A
(e)	Inflation indices	The inflation index is the Greek CPI. The values approved for the indexation of forecasted OPEX for the period 2024-2027 are as follows: 2022 (actual) 2023 9.6% 3.2% 2024 2025 2026 2027

		1.6% 2.1% 2.1% 2.3%
(f)	premia and incentives	please see response to point 2.g
4.	The values of costs and expenditure that are used for setting the allowed or target revenue in euro and in the local currency of:	
a)	the RAB per asset type detailed per year until its full depreciation, including:	
	i) the investments added to the RAB, per asset type; ii) the depreciation per asset type until the full depreciation of the assets	See excel file ('Publication Requirements- EU Legislation 1789_2024_Annex I_4a')
b)	the cost of capital including the cost of equity and the cost of debt;	Refer to RAAEY's Decision (E-69/2023) – Approval of the Allowed Revenue for the regulatory period 2024-2027: Table 5
c)	operational expenditure;	Refer to RAAEY's Decision (E-69/2023) – Approval of the Allowed Revenue for the regulatory period 2024-2027: Table 7
d)	premia and incentives detailed separately per item	N/A
5.	Financial indicators to be provided for the transmission system operator including:	Based on actual figures of 2024
	(a) earnings before interest, taxes, depreciation and amortisation (EBITDA);	130.782.701€
	(b) earnings before interest and taxes (EBIT);	92.674.668€
	(c) return on assets I (ROA): = EBITDA / RAB;	17%
	(d) return on assets II (ROA) = EBIT / RAB;	12%
	(e) return on equity (ROE) = Profit / Equity:	12% (Net Profit after tax/Equity)
	(i) return on capital employed (RoCE);	8% Net Profit after tax/(Equity+Long-Term Liabilities)
	(ii) leverage ratio	62% (net debt/Equity) <i>net debt = outstanding liabilities to financial institutions – cash and cash equivalents</i>
	(iii) net debt / (net debt +Equity)	38%
	(iv) net debt / EBITDA	2.9