

ORDER no. 85 of 26 September 2017

For the approval of the Methodology for the calculation of the balancing neutrality charges, including their distribution to the users of the gas transmission network

ISSUER:

The National Energy Regulatory Authority

PUBLISHED IN:

The Official Gazette no. 769 of 28 September 2017

Date of entry into force 28-09-2017

Consolidated form valid on 11-01-2023

CTCE (Territorial electronic computing centre) Note:
The consolidated version of the ORDER no. 85 of 26 September 2017, published in the Official Gazette no. 769 of 11 January 2023 is achieved by the incorporation of the amendments and supplements to the ORDER no 15 of 5 February 2020, ORDER NO 111 of 24 August 2022.

Considering the provisions of:

- art. 29 and 30 of Regulation (EU) no. 312/2014 of the Commission of 26 March 2014 establishing a network code for balancing the gas transmission networks;
- art. 179 para. (5) of the Electricity and Gas Law no. 123/2012, as subsequently amended and supplemented, pursuant to the provisions of art. 5 para. (1) lit. b) and c) of the Government Emergency ordinance no. 33/2007 on the organization and functioning of the National Energy Regulatory Authority, approved as amended and supplemented by Law no. 160/2012, the President of the National Energy Regulatory Authority issues this order.

Article 1

The Methodology for the calculation of the balancing neutrality charges, including their distribution to the users of the gas transmission network provided for in the annex which is an integral part of the order is approved.

Article 2

The National Energy Regulatory Authority, the National Gas Transmission Company TRANSGAZ - S.A. and the users of the gas transmission network shall carry out the provisions of this order.

Article 3

This order is published in the Official Gazette of Romania, Part I.

President of the National Energy Regulatory Authority,
Niculae Havrileț

Bucharest, 26 September 2017.

No. 85.

ANNEX

METHODOLOGY

METHODOLOGY of 26 September 2017

for the calculation of the balancing neutrality charges, including their distribution to the users of the gas transmission network

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Note

Approved by ORDER No 85 of 26 September 2017, published in the Official Gazette, Part I, No 769 of 28 September 2017.

CTCE (Territorial electronic computing centre) Note: The consolidated version of the METHODOLOGY of 26 September 2017, published in the Official Gazette no. 769 of 28 September 2017, on 11 January 2023 is achieved by the incorporation of the amendments and supplements to the ORDER no. 15 of 5 February 2020 and ORDER NO 111 of 24 August 2022.

CHAPTER I General Principles

Article 1

(1) The purpose of this Methodology is the allocation by network users of the difference between the expense and revenue registered by the operator of the National Transmission System as a result of the activity performed for the Meeting of the obligations relating to the balancing of the natural gas transmission network, obligations established in Commission Regulation (EU) No. 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks, approved by the Order No. 16/2013 of the ANRE President, as further amended and supplemented, hereinafter referred to as the Network Code.

2. For the purposes of this Methodology, the following terms, expressions and abbreviations shall be defined as follows:

1. ANRE - National Energy Regulatory Authority;
2. TSO - the transmission system operator;
3. NU - network user;
4. NTS - National transmission system;
5. settlement period - the calendar month for which the neutrality charge is calculated;
6. neutrality charge- the ratio between the value of the neutrality account and the amount of natural gas transmitted through the NTS during the settlement period;
7. neutrality charge - the charge equivalent to the difference between the amounts received or receivable and the amounts paid or payable by the system operator as a result of the carrying out of its balancing activities, which is paid or which can be recovered from network users;
8. the value of the neutrality account - the result equivalent to the difference between the revenue and expense of the system operator as a result of its balancing activity.

Article 2

The TSO shall not register profit or loss following the balancing activities for the fulfilment of obligations to pay or levy daily imbalance charges, day-ahead charges, balancing action charges and other charges related to balancing activities, which represent all activities carried out by the transmission system operator for the purpose

of meeting the obligations established in Regulation (EU) No. 312/2014 and in the Network Code.

On 01-10-2022 Article 2 of Chapter I was amended by Point 1, Article I of ORDER No. 111 of 24 August 2022, published in the OFFICIAL GAZETTE No. 853 of 31 August 2022.

Article 3

The TSO shall transfer to the NU all costs and revenue directly related to the balancing actions performed.

Article 4

The costs provided for in Article 8 shall be included in the neutrality charge and shall not be considered at the establishing of the costs used for the calculation of the tariffs for the gas transmission services.

On 01-10-2022 Article 4 of Chapter I was amended by Point 2, Article I of ORDER No. 111 of 24 August 2022, published in the OFFICIAL MONITOR No. 853 of 31 August 2022.

Article 5

(1) The neutrality charges shall be applied to the NU or the TSO, depending on the result of the balancing activity.

(2) The TSO shall invoice neutrality charges if the result of the balancing activity is negative.

(3) The NU shall invoice the neutrality charges if the result of the balancing activity is positive.

On 07-02-2020 Art. 5 of Chapter I was amended by Point 1, Art. I of ORDER 15/5 February 2020, published in OFFICIAL GAZETTE No. 92/07 February 2020.

Article 6

The neutrality charges paid by or to the NU shall be proportional to the amount of natural gas transmitted during the settlement period by the NU.

Article 7

The neutrality charge shall be identified separately at NU invoicing, the invoice recording only the gas transmitted through the NTS during the settlement period by the NU, expressed in MWh.

CHAPTER II

The main categories of costs and revenue considered within the neutrality ensuring mechanism.

Article 8

(1) The mechanism that ensures the neutrality of TSO costs and revenues will consider the following categories of costs and revenues:

a) TSO costs and revenues as a result of the payment or collection of imbalance charges according to the provisions of the Network Code in relation with the NUs taken individually;

b) costs and revenues arising from the purchase/sale of gas by TSO to ensure the physical balance of the NTS, in compliance with the procedure on the operating limits of the NTS, approved by the TSO and endorsed by ANRE.

c) costs and revenues resulting from the activity of natural gas storage intended to ensure the physical balance of the transmission system in accordance with the provisions of Article 130(1). (1) letter j) of the Law on Electricity and Natural Gas no. 123/2012, as amended;

d) costs arising from the contracting of a credit line for the financing of physical and commercial balancing activity;

e) costs and revenues arising from the contracting of balancing services, in accordance with the provisions of Art. 83² of the Network Code and Art. 6 para.

(2) The weighted average cost method shall be applied to determine the cost of natural gas stocks related to physical and commercial balancing activity, using weighted average costs determined separately for natural gas held as balancing gas in the NTS and for gas held as balancing gas in storage, respectively.

On 01-10-2022 Article 8 of Chapter II was amended by Point 3, Article I of ORDER No 111 of 24 August 2022, published in the OFFICIAL MONITOR No 853 of 31 August 2022.

CHAPTER III

Neutrality charge

Article 9

(1) The neutrality of the TSO within the balancing activity is achieved through the neutrality charge.

(2) The calculation of the neutrality charge is based on the costs and revenues related to the balancing activity of the NTS, registered in the financial accounting records of the TSO.

(3) The neutrality charge is calculated and invoiced monthly for each NU.

(4) The neutrality charge paid by or to the NU shall be determined according to the following formula:

$$Tn_i = Rn_i \times Qtr_i,$$

where:

Tn_i - the neutrality charge related to the settlement period, expressed in lei;

Rn_i - the neutrality charge applicable in a settlement period, expressed in lei/MWh;

Qtr_i - the amount of natural gas transported through the NTS during the settlement period for a NU, expressed in MWh.

Article 10

The costs and revenues related to the balancing activity performed are recorded monthly in the neutrality account.

Article 11

The value of the neutrality account is allocated to the NU, at the end of each settlement period, based on the neutrality charge determined according to the following formula:

$$R_n(i) = \frac{S_n(i)}{Q_{est}(i)},$$

where:

R_n(i) - the neutrality charges applicable during the settlement period, expressed in lei/MWh;

S_n(i) - the value of the neutrality account at the end of the settlement period, calculated as the difference between income and expenses, expressed in lei;

Q_{est}(i) - the quantity of natural gas transported through the NTS during the settlement period for all NUs, expressed in MWh.

Article 12

(1) The neutrality charge is paid by TSO to NU if the value of the neutrality account is positive.

(2) The neutrality charge is paid by the NU to the TSO if the value of the neutrality account is negative.

Article 13

The TSO will publish on a monthly basis:

a) the situation of the quantities of natural gas transported through NTS during the settlement period for all NUs, expressed in MWh;

b) the revenues and expenditures of the TSO, as a result of carrying out its balancing activity, related to the neutrality account;

c) the value of the neutrality account related to the settlement period.

Article 14

The risk of non-payment related to the charges provided in art. 9 is covered by the financial guarantees established according to the provisions of the balancing contract and access to VTP.

On 07-02-2020 Article 14 of Chapter III was amended by Point 2, Article I of ORDER no. 15 of 5 February 2020, published in the OFFICIAL GAZETTE no. 92 of 07 February 2020

CHAPTER IV

Final provisions

Article 15

Starting with 1 December 2015, the difference between all revenues and expenses resulting from the balancing actions of the NTS is calculated monthly and is distributed according to the provisions of this methodology.

On 07-02-2020 Article 15 of Chapter IV was amended by Point 3, Article I of ORDER no. 15 of 5 February 2020, published in the OFFICIAL GAZETTE no. 92 of 07 February 2020