

Energy Regulatory Office

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Your letter ref. / dated:

our stamp:

Handles/Contacts:

Hodonín, on:

/

Ing. Radim Blažej
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14 February 2025

Position on the draft TAR 2026-2030 Consultation Document pursuant to Article 26 of Regulation (EU) 2017/460

Dear Sir/Madam,

In relation to the consultation document in question, MND Energy Storage a.s. ('MND ES') hereby expresses its views solely on the proposed amount of the discount on the tariff for the transport of gas from/to the gas storage facility.

MND ES welcomes the ERO's proposal to maintain a certain discount on the tariff for the transport of gas from/to a gas storage facility, but considers that the discount should remain at the current level, i.e. 100%, mainly for the following reasons:

- a) First of all, it is necessary to point out that the Czech Republic is no longer a transit country for gas transport, as it used to be, but its position has changed to the end country. Moreover, the Czech Republic is not a sufficiently liquid gas market. For this reason, in order to ensure security of gas supply, it is necessary to motivate participants as much as possible to store gas in gas storage facilities located in the Czech Republic.
- b) Even the negative S/W spreads on the market for the storage years 2025, 2026 and 2027, even in conjunction with the existing minimum filling requirements for reserved storage capacities, significantly negatively affect participants' interest in storage capacities, and any increase in the cost of transporting gas from/to gas storage facilities will further accentuate this decline in Participants' interest in storage capacities. This is confirmed by the feedback we receive from traders (potential gas participants) following the ongoing consultation process.

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- c) As can be seen from the FOURTH ENTSGO REPORT ON IMPLEMENTATION AND EFFECT MONITORING OF THE TARIFF NETWORK CODE – 2024 edition report, in particular from Figure 21, the 100% discount on the tariff for the transport of gas from/to gas storage facilities is not only a matter for the Czech Republic, but also for at least six other TSOs. If these TSOs, or some others 100% discounts, were maintained or introduced in the period 2026-2030, this would result in a decrease in the competitiveness of Czech gas storage facilities, also in view of the Czech Republic's end position in the gas transmission system. This could endanger the security of gas supply in the Czech Republic.

Company MND Gas Storage a.s., Company ID: 285 06 065, also joins the above-described position of MND Energy Storage a.s.

Sincerely,



Ing. Radim Blažej
head of the operational-commercial section