

Comments of **Ocelářské unie, a.s.** on the consultation document pursuant to Article 26 of Commission Regulation (EU) 2017/460 establishing a network code on harmonised transmission tariff structures for natural gas

### **General comment**

Some of the proposed measures pass on costs to customers when they lead to an increase in the regulated component of the gas price. However, from our point of view, these are unnecessary or irrelevantly justified and we therefore ask for their adjustment.

These include in particular:

- a) a proposal to pass on part of the relevant costs of transporting gas from and to gas storage facilities to their users and to reduce the applied 100% discount for the period consulted (see Chapter 5.3 as well as the target model – Chapter 7.4);
- b) the recognition of all assets and depreciation of the transmission system within regulated prices and the reflection of the hydrogen repurposing of the transmission system in the RAB (see Chapter 7.2).

Ad a) We require to keep the 100% discount, even for the following years.

Ad b) We call for the elimination of negative financial impacts on Czech customers in relation to unusable transport capacities – physically or due to their real needs. Reconsider the inclusion of repurposing in the RAB.

### **Justification for the comment:**

Significant gas customers also include energy-intensive industry, which is in the current critical situation in the Czech Republic and the EU, for which they are mainly responsible for several times more expensive energy than in competing economies, on the contrary, need to relieve the financial burden associated with energy prices as much as possible.

Other reasons:

Ad (a) divergence of the 2023/2024 and 2024/2025 seasons in terms of likely use of storages and related behaviour of traders; continuation of the situation of limited transport capacity from Germany to the Czech Republic, which is currently probably the only way to transport gas to us; unstable situation in the gas market, etc.

Ad b) if some capacities/infrastructures are unused (provided that their function is not restored in the future – e.g. in the context of the current geopolitical situation) or were built purely for the purpose of transporting gas through the Czech Republic without being used for local customers, these should not be reflected in regulated prices. Ad hydrogen – from our point of view, this is an unforced change, already entailing high costs for companies. Other sources of funding should therefore be used as much as possible for repurposing.

### **Draft reflection of the comment**

See comment.

**This observation is essential.**