



E-Control Austria Consultation paper
Supplement to the Gas System Charges Ordinance 2013, annex 3
Eni's statement

Eni appreciates the opportunity to participate in E-Control's consultation aimed at amending the Austrian transmission tariff methodology. E-Control has in the last years constantly increased transparency and improved cost-reflectivity.

We agree that a purely capacity based tariff fails to accurately capture the level of operational costs as and when they originate as the proposed amendment states. However, it applies the commodity charge only to exceptionally incurred costs, i.e. additional operational costs for electricity, gas and CO2 allowances.

We acknowledge that due to the exceptional and unforeseeable market conditions the costs for TAG and GCA have considerably increased and accept that E-Control would, at their request, like to agree the underlying cost basis. However, in order to avoid this situation repeating itself, E-Control should take the time to develop an appropriate and permanent mechanism that would ensure an efficient management of all operational costs.

As an intermediary step in this direction and starting from October 1st, 2022, we understand the need to amend the level of allowed revenues to give the TSOs a one-off chance to recover the exceptionally incurred costs. As a general rule, and even more given the current market dynamics, we believe that such a "new" commodity charge must limit as much as possible impacts and distortions on cross-border trade and, consequently, on market spreads. To achieve this goal, we propose an amendment to the entry/exit split currently foreseen for the new commodity charge: apply a 50/50 split, which would rebalance the amount of costs (entry + exit) allocated to the domestic and transit flows.

Additionally, we believe that the decisions should also give complete transparency over methods and the timing for the revision of the commodity charge, considering that a yearly adjustment with a publication together with all other tariff components would be ideal.

San Donato Milanese, 14/03/2022