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Calculation Basis gas storage neutrality charge

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Abbreviations

BKV	Balancing group manager
BK7	Ruling Chamber 7 of the Federal Network Agency
BNetzA	Federal Network Agency
GasSpFüllstV	Ordinance on the adjustment of filling level specifications for gas storage facilities
MAM	Market area manager
RLM	Customers with recording power metering
THE	Trading Hub Europe GmbH
SLP	Customers whose consumption is determined using a standard load profile

1. Introduction and background

To ensure security of supply, a combination of filling level targets and market-based measures, such as the tendering of incentive products, was introduced. This was achieved through the Act on the Introduction of Filling Level Requirements for Gas Storage Facilities (Part 3a of the Energy Industry Act), which came into force on April 30, 2022, and the Act on the Amendment of the Provisions of the Energy Industry Act on Filling Level Requirements for Gas Storage Facilities and on the Adjustment of Other Energy Industry Regulations, which came into force on February 9, 2024.

The Gas Storage Act has been extended by a further two years, from April 1, 2025 to March 31, 2027, as part of the above-mentioned Act to amend the provisions of the Energy Industry Act on filling level requirements for gas storage facilities and to adapt other energy industry regulations, which came into force on February 9, 2024.

Sections 35a to 35g Energy Industry Act stipulate that the fill level requirements - if the market does not fill up sufficiently on its own - are to be achieved either through measures in accordance with section 35c(1) Energy Industry Act (so-called stage 1) or through measures in accordance with section 35c(2) Energy Industry Act (including the filling of unused storage capacity as part of so-called stage 3). The market area manager (MAM) is appointed to implement.

The filling level requirements to be achieved pursuant to Section 35b (1) and (3) Energy Industry Act in conjunction with Section 1 (1) GasSpFüllstV are as follows since 6 May 2025:

Filling level requirements as of November 1 of each year:

a) 80 percent in each gas storage facility not covered by letter b,

b) 45 percent in each of the gas storage facilities Bad Lauchstädt, Frankenthal, Hähnlein, Rehden, Stockstadt and Uelsen due to their significantly reduced injection and withdrawal rates and their geographical location,

Filling level requirements on February 1 of each year:

(a) 30 percent in each gas storage facility not covered by letter b,

b) 40 percent in each of the Bierwang, Breitbrunn, Inzenham-West and Wolfersberg gas storage facilities.

THE's concept for the gas storage neutrality charge methodology was consulted with the market in June 2022 and subsequently approved by the Federal Network Agency (BNetzA) in its decision BK7-22-052 of July 29, 2022. On February 27, 2024, THE submitted an application to adjust the time limit of the concept. This was made against the background of the extension of the period of application of the regulations on the filling level requirements (Sections 35a to 35g Energy Industry Act) until 1 April 2027 with the above-mentioned amendment to the law at the beginning of February 2024. The BNetzA approved this with decision BK7-24-01-003.

On December 20, 2024, the Bundestag adopted the Bundesrat's draft bill with regard to the amendment of Section 35e EnWG. The draft bill included amending the law to the effect that the levy will only be charged on domestic extraction points (RLM and SLP) from January 1, 2025. The amendment to the law came into force on December 31, 2024. On January 3, 2025, THE submitted an application to the BNetzA to change the concept of the methodology with regard to this amendment. The BNetzA approved this with decision BK7-25-01-001 of March 11, 2025.

The costs and revenues associated with the fulfillment of this statutory task are to be passed on to the balancing group managers (BGMs) via the gas storage neutrality charge. The gas storage neutrality charge was charged for the first time from 01 October 2022.

2. Calculation methodology

All costs and revenues associated with the gas storage neutrality charge are recorded in a neutrality account. At the end of the statutory term, the levy account, including the costs and revenues still to be expected for the balancing period, should have a balance of zero euros if possible. The calculation of the gas storage neutrality charge is therefore geared towards the goal of a balanced levy account at the end of the balancing period.

The calculation of the gas storage neutrality charge is based on the following key points.

- Observation period for the forecast: The gas storage neutrality charge forecast was based on the entire observation period up to March 31, 2027.
- Costs and revenues: With the gas storage neutrality charge, all costs and revenues incurred in connection with compliance with the law are allocated to the BKV. However, relevant costs and revenues will also arise after the end of this period. Examples include financing costs or income from the settlement for the performance month of March 2027 (which will take place in May 2027). These circumstances are also taken into account in the forecast within the period under review. The forecast of costs and revenues also takes into account the effects of the time lag between payment to the eligible companies and income from levies.
- Levyable quantity: The gas storage neutrality charge is levied on all SLP and RLM exit points. According to the change of §35 e EnWG, the gas storage neutrality charge will no longer be levied on physical exit quantities at cross-border interconnection points and virtual interconnection points from 01.01.2025.

The gas storage neutrality charge is calculated using the following formula.

$$\text{Gas storage neutrality charge}_{p+1} = \frac{\text{forecast account}_p\ (\text{EUR}) + \sum \text{forecast costs}_n\,(\text{EUR})\ - \sum \text{forecast revenues}_n\,(\text{EUR})}{\sum \text{forecast levyable quantity}_n\,(\text{MWh})}$$

Gas storage neutrality charge$_{p+1}$ = neurtrality charge amount for following period p+1

Forecast account$_p$ = Forecasted account balance of the neutrality account at the end of the current levy period p (can be positive or negative); incl. the forecast neutrality charge income from the current levy period.

Forecast Costs$_n$ = Forecasted costs for the levy period p+1 until the end of the statutory term n.

Forecast revenues$_n$ = Forecasted revenue for the levy period p+1 until the end of the statutory term n.

Forecast levyable quantity$_n$ = Forecasted apportionable quantity for the apportionment period p+1 until the end of the statutory term n.

2.1. General procedure

To forecast the individual costs and revenues for the entire period up to March 31, 2027, the volumes for the individual product groups are first determined. Various scenarios are forecast using mathematical models, taking into account the historical development to date. These are given probabilities of occurrence and enriched with current market developments. The aim of the mechanism is to balance all relevant cost and revenue items as at 31 March 2027. If the forecast costs described below exceed the forecast revenues in the period under review, THE will levy a gas storage neutrality charge to ensure that costs are covered.

2.1.1. Quantity and Prices

The following quantities are particularly relevant for forecasting costs and revenues:

- On the cost side: if relevant, quantities from call-offs of products within the scope of “Stage 1” or “Stage 2”
- On the cost side: injection of quantities after “Stage 3”
- On the revenue side: Withdrawals of quantities from “Stage 3”
- Base variable: levyable quantity

THE had stored around 49.67 TWh in German gas storage facilities by November 1, 2022. In the winter of 2022/23, around 25% of these volumes (around 12.42 TWh) were sold, leaving around 37.25 TWh in storage. The remaining volumes were completely withdrawn from storage in the winter of 2023/24 until May 2024.

External price forecasts are used for pricing.

2.1.2. Cost

In addition to the costs resulting from the quantities and associated prices under 2.1.1, the following cost components are particularly relevant for determining the gas storage neutrality charge.

- Costs for contracting products within the scope of stage 1 or stage 2 as well as costs for gas procurement in accordance with Section 35c (2) Energy Industry Act (stage 3), in particular transport costs, storage fees
- Distribution of surpluses
- Other costs, insofar as these are attributable to the neutrality account, in particular financing and administrative costs

Net costs of around EUR 8,675.1 million have been incurred for the procurement of the injected volumes until November 1, 2024. The total costs incurred to date and forecast for the entire period under review until March 31, 2027 amount to: EUR 11,210.4 million.

2.1.3. Revenues

Net revenues of around EUR 2,408.1 million were generated from the withdrawal volumes sold mentioned under 2.1.1.

In addition to the revenues resulting from the volumes and associated prices under 2.1.1, the following revenue components are particularly relevant for the calculation of the gas storage neutrality charge.

- Revenues from the gas storage neutrality charge from the previous and current period
- Proceeds from penalties for non-fulfilment of contractual obligations
- Other income, insofar as this is attributable to the neutrality account, e.g. interest income

The neutrality charge (October 1, 2022 - June 30, 2023: EUR 0.59/MWh; July 1 - December 31, 2023: 1.45 EUR/MWh; January 1 - June 30, 2024: 1.86 EUR/MWh, July 1 - December 31, 2024: 2.50 EUR/MWh; January 1 - June 30, 2025: 2.99 EUR/MWh) already collected and forecast neutrality revenues up to June 30, 2025 amount to EUR 4,527.5 million.

The difference between the costs incurred to date and the forecast costs and revenues results in the amount to be generated by the gas storage neutrality charge by the end of the period under review to cover costs. Taking this into account, the amount still to be covered from July 1, 2025 is EUR 4,274.8 million.

2.1.4. Levyable quantity

In accordance with the legal requirements, the gas storage neutrality charge is levied on the quantities physically withdrawn daily from a balancing group for SLP and RLM exit points. Note: The gas storage neutrality charge on the quantities withdrawn at cross-border interconnection points or virtual interconnection points will no longer be charged from 01.01.2025. The outbreak of the war in Ukraine led to distortions on the energy market, which generally resulted in reduced gas consumption by industrial and household customers and a change in gas supply sources and thus to a change in gas transport routes. A historical annual average was used to forecast these volumes, supplemented by estimates derived from current findings.

The forecast quantities per group are shown in the following table.

Period	Forecast SLP [MWh]	Forecast RLM [MWh]	Sum [MWh]
01.07.2025 – 31.03.2027	597,302,339	883,184,856	1,480,487,194

3. Result

The gas storage neutrality charge for the period from July 1 to December 31, 2025 amounts to 2.89 EUR/MWh. Details can be found in the press release dated May 16, 2025.

The gas storage neutrality charge for the next period will be published by November 20, 2025 at the latest and will apply from January 1 to June 30, 2026.