

Press release

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Neutrality charge of 0.2113 €/kWh/h/a to be levied in the market area GASPOOL for the gradual switchover from low CV to high CV gas quality

National switchover neutrality charge is also published for the first time and set at 0.1339 €/kWh/h/a

Berlin (Germany). From 1 January 2017 a neutrality charge of 0.2113 €/kWh/h/a will be applied by the transmission system operators (TSOs) in the market area GASPOOL to recover the costs for switching over network areas from low CV to high CV gas quality in accordance with section 19a of the German Energy Industry Act (*EnWG*). The amount has been calculated by GASPOOL Balancing Services GmbH on behalf of the GASPOOL TSOs based on the data reported by the TSOs. According to planned legislative changes, including plans to amend section 19a of the Energy Industry Act, a uniform switchover neutrality charge is to be applied throughout Germany from 1 January 2017. This national charge would be set at 0.1339 €/kWh/h/a.

The neutrality charge is currently levied under section 10 of the network code governing third-party access to the German gas networks, the so-called Cooperation Agreement, by passing on the switchover costs incurred by individual network operators to all networks within the same market area and charging the resulting amount in addition to the applicable transportation tariffs. In view of the planned amendment to section 19a of the Energy Industry Act expected to take effect on 1 January 2017, the TSOs are publishing two neutrality charges this time: the market area-specific

charge as determined in accordance with the provisions of the Cooperation Agreement (the "market area switchover neutrality charge") as well as the charge to be applied nationally (the "national switchover neutrality charge"). The market area switchover neutrality charge reflects the current legal framework, which requires a pass-through of costs separately within each market area, and will apply until the planned amendment takes effect. Under the amended provision all switchover costs are to be recovered through a uniform neutrality charge to be applied nationwide instead of the market area-specific amount currently charged. The TSOs will provide further information on the application of the national switchover neutrality charge once the new rules come into effect.

Switching over the supply areas currently using low CV gas to high CV quality is essential given that the production of low CV gas in Germany and the Netherlands is declining. The associated costs are passed on to shippers and downstream network operators at all exit points of the transmission networks located within the market area GASPOOL and are thus borne equally by all natural gas customers connected to the market area. The gradual switchover process currently ongoing therefore delivers a significant contribution to long-term supply security in Germany.

For further information please contact your TSO or the association of German gas TSOs (FNB Gas).

About GASPOOL

GASPOOL Balancing Services GmbH is a Berlin-based joint venture of GASCADE Gastransport GmbH, Gastransport Nord GmbH, Gasunie Deutschland Transport Services GmbH, Nowega GmbH and ONTRAS Gastransport GmbH.

The object of the company is the operation of the GASPOOL market area in Germany, which connects around 350 downstream natural gas transportation networks. Following the integration of the market area H-Gas Norddeutschland, Jordgas Transport GmbH also joined the market area cooperation.