

## **FAQ balancing neutrality charges, conversion neutrality charge, conversion fee and VTP fee**

### **Balancing neutrality charges**

#### **Why is the SLP balancing neutrality charge levied?**

To cover the expected shortfall from the use of control and balancing energy, an SLP balancing neutrality charge is levied in accordance with the determination of the BNetzA (GaBi Gas 2.0). This is to be borne by the balancing group managers who supply SLP withdrawal points. The SLP balancing charge is settled monthly as part of the balancing group settlement. In order to calculate the SLP balancing charge to be paid by the balancing group manager, the market area manager multiplies the balance-relevant SLP exit quantities of a balancing group manager by the applicable SLP balancing neutrality charge. The SLP balancing neutrality charge is determined for a period of 12 months.

More detailed information is available in the [balancing group contract](#).

#### **Why is the RLM balancing neutrality charge levied?**

According to GaBi Gas 2.0, an RLM balancing neutrality charge is levied to cover the shortfall to be expected from the use of control and balancing energy. This is to be borne by the balancing group managers who supply RLM withdrawal points. The RLM balancing charge is settled monthly as part of the balancing group settlement. To calculate the RLM balancing neutrality charge to be paid by the balancing group manager, the market area manager multiplies the balance-relevant RLM exit quantities of a balancing group manager, taking into account the calorific value correction, by the applicable RLM balancing neutrality charge. The RLM balancing charge is determined for a period of 12 months.

Detailed information is available in the [balancing group contract](#).

#### **Is the SLP balancing neutrality charge or the RLM balancing neutrality charge a new charge?**

No, it is not.

## **Why are the SLP balancing neutrality charges set at EUR 5.70/MWh and the RLM balancing neutrality charges at EUR 3.90/MWh?**

The determination is due, among other things, to the overall difficult market situation (in particular the high price situation), the forecast development of the causes of control energy and the resulting control energy requirement as well as the current status of the allocation accounts. In the allocation period from October 1, 2022, THE will collect advance payments on the SLP and RLM balancing allocation. The down payment will generally be made in the following month. The final settlement takes place after the clearing process has been completed.

## **Which liquidity buffers apply in the GaBi Gas 2.0 area in the coming allocation period?**

The liquidity buffer valid in the allocation period from October 1, 2022 will be published in the document "Calculation basis for the balancing allocation".

The document will be published no later than September 30, 2022.

## **Conversion fee and Conversion neutrality charge**

### **Why is the Conversion fee charged?**

According to the decision of the Federal Network Agency (BK7-16-050, "Konni Gas 2.0"), the market area manager is entitled to charge an incentive-based conversion fee for the conversion of H-Gas to L-Gas. A conversion fee for the conversion of L gas to H gas is not planned. The conversion fee is fixed for a period of 12 months.

The conversion fee is billed monthly as part of the balancing group billing.

Detailed information is available in the [balancing group contract](#).

### **Why is a conversion neutrality charge charged?**

To cover the costs incurred by the market area manager in the cross-quality market area as a result of conversion measures, the market area manager can charge a conversion fee. The conversion fee is levied on all physical feed-in quantities brought into a balancing group on a daily basis. The conversion fee is fixed for a period of 12 months.

The conversion neutrality charge is settled monthly as part of the balancing group settlement.

Detailed information is available in the [balancing group contract](#).

In the allocation period from October 1, 2022, THE will collect advance payments on the conversion allocation. The down payment will generally be made in the following month. The final settlement takes place after the clearing process has been completed.

### **Is it a new charge/fee?**

No, it is not.

### **Why is the conversion fee (H/L) set at 0.45 EUR/MWh?**

According to the Konni Gas 2.0 stipulation, the conversion fee is to be determined in such a way that the market has a sufficient incentive to trade gas across different qualities, but at the same time the MAM does not become the predominant purchaser of the physical L-gas quantities.

In contrast to the conversion fee, the conversion fee cannot be determined to cover costs. The conversion fee and conversion fee are calculated independently of one another.

Due to the forecast development of the conversion system as a whole and the market environment in L-gas, the incentive-based conversion fee for the conversion of H-gas to L-gas will be set at EUR 0.45/MWh from October 1, 2022.

### **Why is the conversion neutrality charge at EUR 0.38/MWh?**

In addition to the conversion fee, the conversion neutrality charge serves to cover the costs of commercial and technical conversion.

The conversion costs forecast for the period of validity (if not covered by the conversion fee) as well as the determined difference amounts and a liquidity buffer are included in the calculation of the conversion neutrality charge.

Based on current developments (account balances and the forecast development of costs and revenues), the conversion neutrality charge is set at EUR 0.38/MWh.

### **What liquidity buffer is used in the Konni area for the allocation period from October 2022?**

The liquidity buffer valid in the allocation period from October 1, 2022 is published in the document "Calculation basis for the conversion fee and conversion allocation".

The document will be published no later than September 30, 2022.

## VTP fee

### **Why is a VTP fee charged?**

According to the determination of the Federal Network Agency (BK7-11-003), the market area manager has been entitled to charge a fee for the use of the virtual trading point since October 1, 2011.

The VTP fee is due for each nominated transfer at the virtual trading point and is billed to both the receiving and the transferring balancing group manager.

In accordance with the specifications of the Federal Network Agency, the level of the fee must be selected by the market area manager in such a way that the costs incurred directly and indirectly by the virtual trading point can be covered.

The VHP fee is billed monthly in a separate statement. The VHP fee is fixed for a period of 12 months.

### **Why is the VTP fee set at the stated level?**

According to the resolution, the MAM is to charge a fee for the use of the VTP.

The amount of the fee is to be chosen in such a way that the direct and indirect costs caused by the VTP are covered. The VTP fee will be EUR 0.00148/MWh from October 1, 2022.

The costs are covered by this determination of the VTP fee.