

Publication acc. to Art. 25 Para 2, Art. 28 Para 3 REG (EU) 2017/459 (NC CAM) regarding the procedure for marketing incremental capacities between the entry-exit systems of Hungary (HU) and Austria (AT)

Background and procedure

Since the consultation of the technical study had been carried out between 14.01.2020 and 14.02.2020 the project promoters and TSOs Gas Connect Austria GmbH (AT) and FGSZ Földgáscsillító Zrt. (HU) have submitted a request for approval to their respective NRAs acc. to Art. 28 Para 1 NC CAM. By Decision no. V NKO G 02/21/1 of E-Control, dated 3 May 2022, and by Decision no. H1804 / 2022 of Magyar Energetikai és Közmű-szabályozási Hivatal (MEKH), 3 May 2022, the approvals have been granted by the respective NRAs. Gas Connect Austria therefore publishes below the content of these NRA decision acc. to Art. 25 Para 2, Art. 28 Para 3 NC CAM.

Content of the NRA decisions acc. to Art. 25 Para 1 NC CAM

Content of the NRA decisions acc. to Art. 25 Para 1 NC CAM	Value
1. <i>Reference prices estimated for the time horizon of the initial offer of incremental capacity that are used for the calculation of the parameter set out in Article 22 Para 1 lit. a) and Art. 24 Para 2 lit. a) NC CAM.</i>	
Firm, freely allocable capacity at entry point Mosonmagyaróvár for both offer levels	0.85 EUR/kWh/h/a
2. <i>The parameters set out in Article 22 Para 1 lit. b) to c) and Art. 24 Para 2 lit. b) c) NC CAM.</i>	
Approved present value of the estimated increase of the allowed revenue before discount for both offer levels acc. to Art. 22 Para 1 lit. b) NC CAM	32 708 448.00 EUR
The calculated present value of the assumed costs according to Article 22(1)(b) NC CAM at a discount rate of 4.982% is	
For offer levels 1 and 2:	23 768 612.00 EUR
f-factor	0.75
3. <i>The range of the level for the mandatory minimum premium referred to in Article 33 Para 4 of Regulation (EU) 2017/460 for each offer level and interconnection point for which the incremental Capacity is offered, Art. 25 Para 1 lit. c) NC CAM.</i>	
Approved mandatory minimum premium for entry point Mosonmagyaróvár for offer level 1	1.35 EUR/kWh/h/a
Approved mandatory minimum premium for entry point Mosonmagyaróvár for offer level 2	0.98 EUR/kWh/h/a

Content of the NRA decisions acc. to Art. 28 Para 1 NC CAM

1.

In the annual capacity auction scheduled for 4 July 2022, the participating TSOs will offer 2 common Offer Levels for bundled capacity products at IP Mosonmagyaróvár. Both Offer Levels take into account the obligations to set aside capacity based on the calculation methodology described in Article 11 (6) of NC CAM. For avoidance of any doubt the incremental capacity to be offered does not include 10% of the incremental capacity which is dedicated for short-term bookings at IP Mosonmagyaróvár (EIC 21Z000000000003C).

The offer levels for bundled capacity products at the interconnection point are as follows: **Offer-Level 1:**

Year	From 2026/27 to 2040/41
Offer Level 1 [kWh/h]/y	954,657
Incremental capacity to be offered [kWh/h]/y	954,657
Existing capacity [kWh/h]/y	0

Offer-Level 2:

Year	From 2028/2029 To 2042/2043
Offer Level 2 [kWh/h]/y	1,145,609
Incremental capacity to be offered [kWh/h]/y	1,145,609
Existing capacity [kWh/h]/y	0

2. The general rules and conditions that a network user must accept to participate and access capacity in the binding capacity allocation phase of the incremental capacity process, Art. 28 Para 1 lit. b) NC CAM.

The terms and conditions for the marketing of incremental capacities are stipulated in the framework contract of Gas Connect Austria GmbH.

Gas Connect Austria GmbH Frame capacity contract [Link](#)

3. Timelines of the incremental capacity project..., Art. 28 Para 1 lit. c) NC CAM.

Publication of the content of the NRA decisions acc. to Art. 25 Para 2, Art. 28 Para 3 NC CAM by the TSOs **4 May 2022**

Auction participants to sign "Frame Capacity Contract", and "Authorised User Form" **27 June 2022**

Marketing of incremental capacities via RBP **4 July 2022**

Application of the economic test: within two business days after the closing of the last bidding round (Art. 11 Para 10 last sentence NC CAM) **4 July 2022 + 2 business days**

First availability **01.10.2026**

Publication of the result of the economic test and the decision whether the project will be initiated (Art. 22 Para 3 NC CAM) on the following website [Link](#)

A description of the project including a time schedule is available in the approved Network Development Plan 2022-2031 of Gas Connect Austria GmbH [Link](#)

4. The parameters defined in Article 22 Para 1 NC CAM for the economic test regarding the Austrian side.

Approved present value acc. to Art. 22 Para 1 lit. a) NC CAM

Offer level 1 **17 890 780.00 EUR**

Offer level 2 **17 858 560.00 EUR**

Approved present value acc. to Art. 22 Para 1 lit. b) NC CAM

For offer levels 1 and 2:

23 768 612.00 EUR

Approved f-factor acc. to Art. 22 Para 1 lit. c) NC CAM

0.75

5. *Extension of the marketing period acc. Art. 28 (1) lit. e NC CAM*
Not applicable
6. *Alternative allocation mechanism acc. Art. 28 (1) lit. f NC CAM*
Not applicable
7. *Fixed price approach acc. Art. 28 (1) lit. g NC CAM*
Not applicable

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