

Cross-border storage usage at EWE storage locations

EWE-User-Manual

October 2024

- non binding –

REGENT provisions as of 1 October 2021



As of 1 October 2021 the provisions of Bundesnetzagentur „*Festlegung einer Referenzpreismethode sowie der weiteren in Art. 26 Abs. 1 der Verordnung (EU) 2017/460 genannten Punkte für alle Fernleitungsnetzbetreiber (BK9-19/610, "REGENT 2021")*” (following: REGENT 2021) apply to the calculation of transmission fees in Germany. In this context the fees for transmission capacities at storage facilities will be reduced by granting a 75% discount.

Some special provisions relating to the transmission fee discount are applicable to storage facilities in Germany which are connected to more than one market area and which allow a “cross-market area/border usage”.

Due to the fact that the Jemgum storage facility and parts of the Nüttermoor H-Gas storage facilities (hereafter EWE cross-border storages) are connected to more than one market area (THE and TTF), EWE GASSPEICHER GmbH as the storage system operator (SSO) has to demonstrate the compliance with the REGENT 2021 provisions to the TSO(s). This is a precondition for TSOs to offer discounted transmission fees to storage customers for a „single-market area usage“.

Dutch Tariff Code gas ('Tarievenscode gas') provisions **EWE** as of 1 January 2025

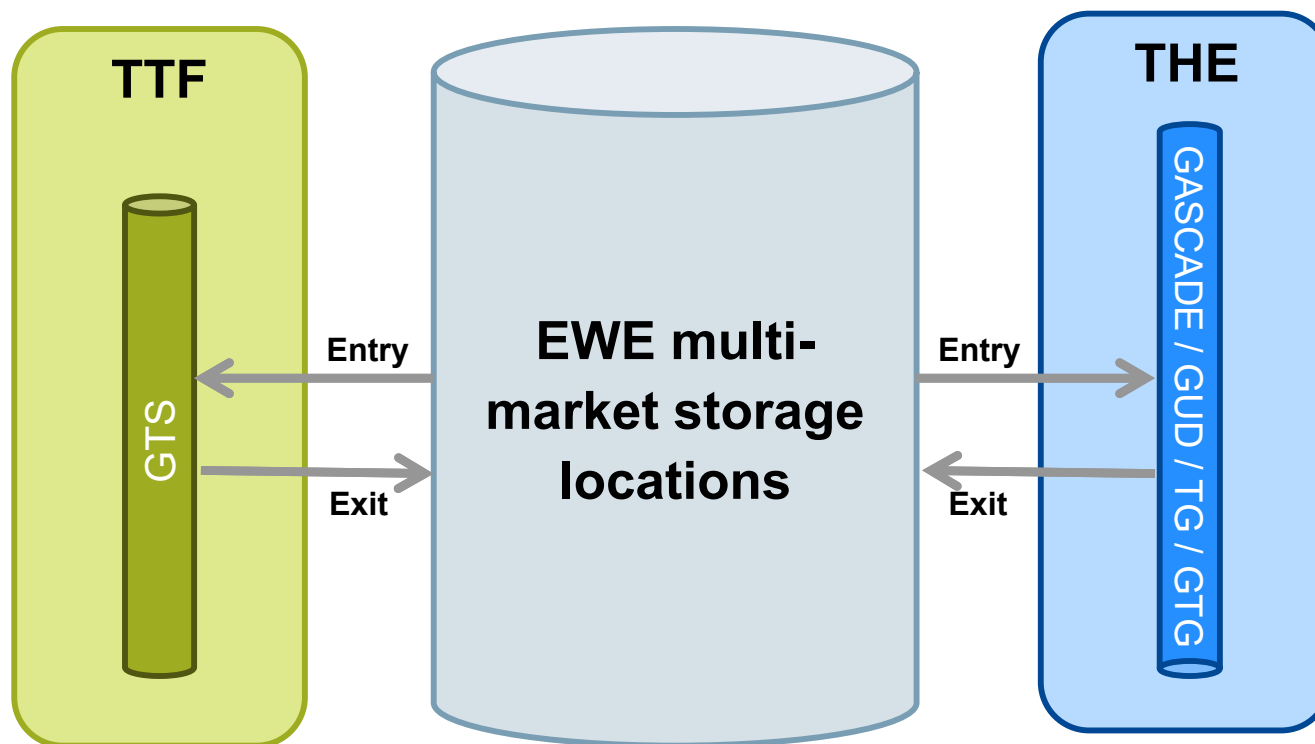
The Dutch Tariff Code gas ('Tarievenscode gas'; "Tariff Code") will be amended as from 1 January 2025. Under the new Tariff Code, the gas storage discount can be granted if the SSO has concluded an agreement with GTS which guarantees that the discount is only granted to the extent that the gas storage facility is used as gas storage in the TTF market area and there is no transport of gas between directly connected systems as referred to in recital 4 in the preamble and Article 9 (1) of NC-TAR (Commission Regulation (EU) 2017/460).

In order for GTS to be able to grant a 75% discount on an ex ante basis at the EWE cross-border storage facilities, EWE provides GTS with storage contract related data (THE and TTF inventories, allocations, gas in store trades, et al) for any necessary subsequent settlement of transport charges in the event of cross-border storage utilization.

If the storage is used across borders, GTS will make a subsequent charge for the transport fees, so that no discount is granted for cross-border storage use.

New as from 1 January 2025

EWE storage locations connected to the market areas THE and TTF



GTS: Gasunie Transport Services
GUD: Gasunie Deutschland Transport Services
TG: Thyssengas
GTG: Gastransport Nord

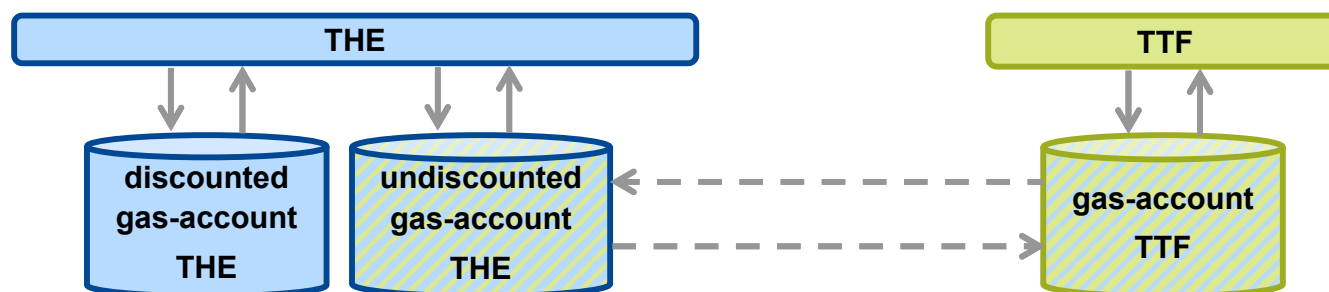
Set up of separate gas-accounts

The storage customer has the possibility to book discounted or undiscounted entry and exit transmission capacity at the connection points of the EWE cross-border storage facilities to the THE market area (with separate balancing groups for discounted and undiscounted transmission capacity).

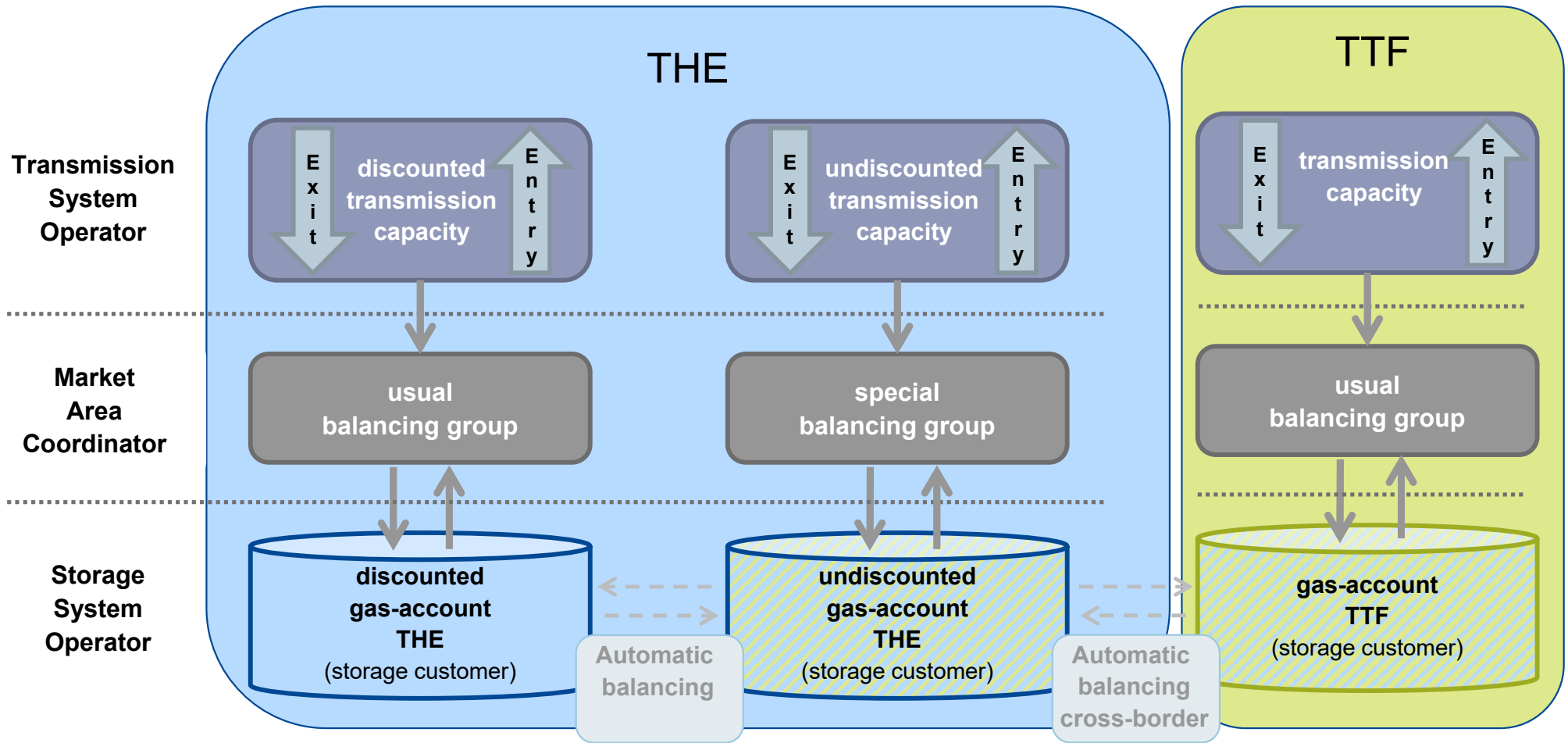
The SSO has to set up and operate corresponding discounted and undiscounted gas-accounts for each storage customer to fulfill the provisions according to REGENT 2021, if the storage customers want to use the storage facility across borders.

On the Dutch side, the storage customer can only book discounted entry and exit transmission capacity at the EWE cross-border storage connection points to the TTF market area. Therefore, only one gas-account for the TTF market area is necessary.

As the EWE cross-border storage facilities are connected to the market areas THE and TTF, the SSO has to set up a discounted gas-account and an undiscounted gas-account for THE and a gas-account for TTF for each storage customer, depending on the utilization of the storage customer.



Balancing groups for discounted and undiscounted transmission capacity



Utilization of the storage service: single-market area and/or cross-border

The storage customer has in general two possibilities to use the storage service:

1. Single-market area usage: use of

- the discounted gas-account THE within the THE market area or
- the gas-account TTF within the TTF market area

⇒ the storage customer gets a transmission fee discount of 75%

2. Cross-border usage: use of

- the undiscounted gas-account THE or
- the gas-account TTF

⇒ the storage customer does not get a transmission fee discount of 75%
(THE: undiscounted transmission fee (ex ante); TTF: subsequent charge)

The storage customer can use these possibilities (1. and 2.) separately or in parallel.

Single-market area usage (see following slide)

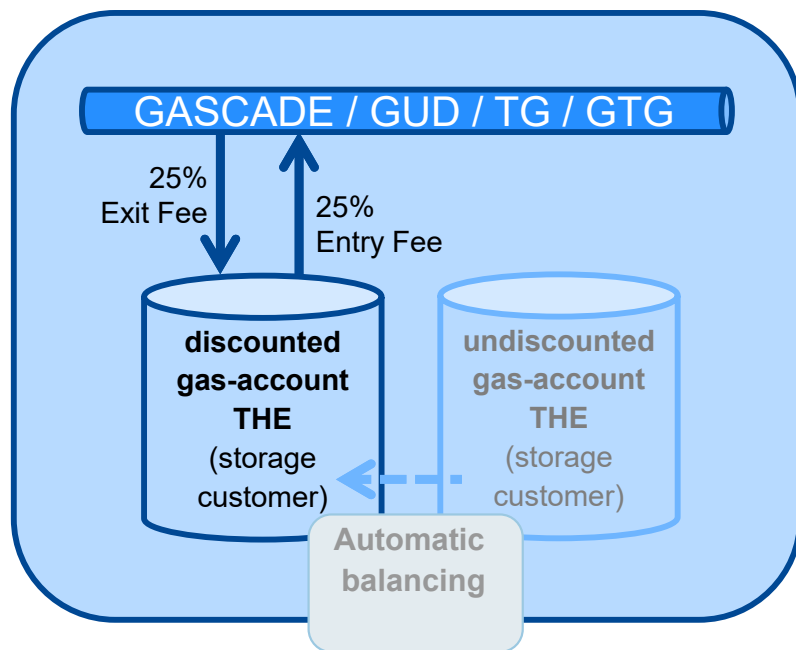
The storage customer uses the storage service „single-market“:

- The storage customer has booked discounted exit and discounted entry capacity with
 - GASCADE, GUD, Thyssengas, GTG (THE)
 - The storage customer nominates exit from and entry into the GASCADE / GUD / TG / GTG system and the corresponding injection and withdrawal towards the SSO
 - all injected and withdrawn gas-volumes will be allocated to the discounted gas-account THE
 - If the discounted gas-account no longer contains any gas quantities, EWE will automatically withdraw the remaining gas quantities towards THE from the undiscounted gas-account THE (automatic balancing)
 - A Withdrawal from the TTF account is not possible in this case
 - GTS (TTF)
 - The storage customer nominates exit from and entry into the GTS system and the corresponding injection and withdrawal towards the SSO
 - The customer does not use the storage cross-border as long as there are gas quantities left in the gas-account TTF

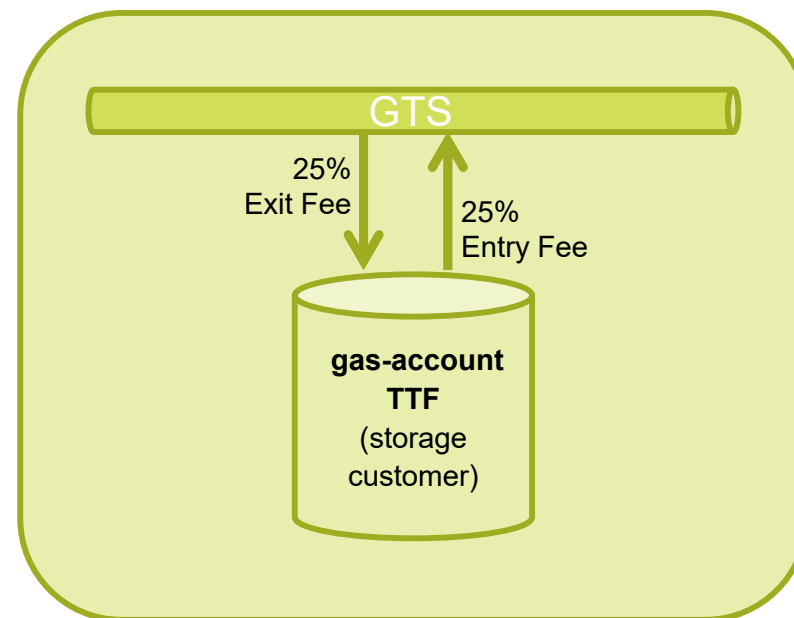
If a shipper only uses the storage service “single-market”, there is no need to report that shipper in the monthly SSO report towards GTS as described on slide 3.

Single-market area usage - use of the discounted gas-account THE or the gas-account TTF

THE



TTF



Cross-border usage – use of the undiscounted gas-account THE – scenario 1 (see following slide)

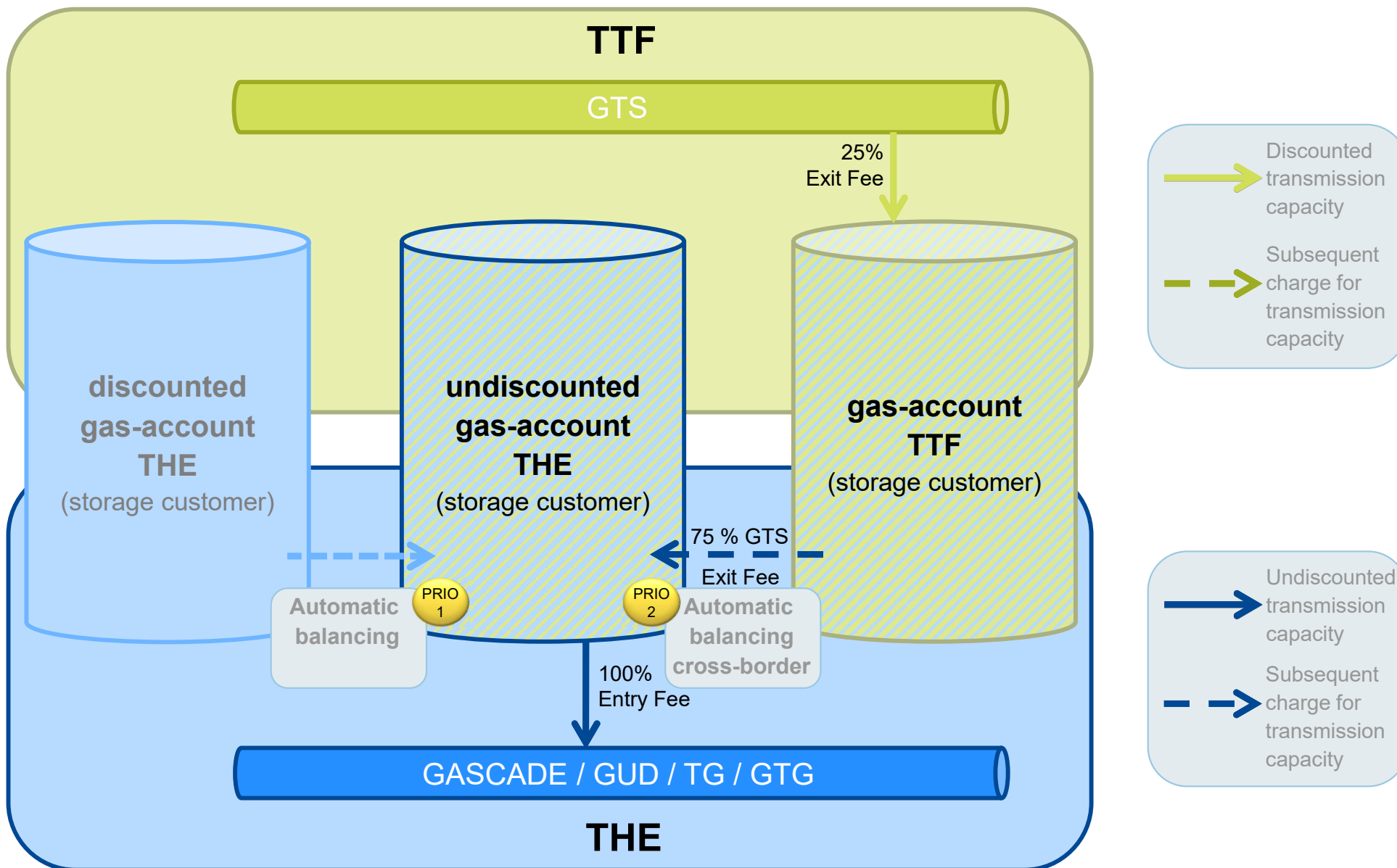
For the cross-border usage from NL to D, the storage customer uses

- the undiscounted gas-account THE (cross-border NL -> D)
 - The storage customer nominates exit from the GTS system towards the gas-account TTF and the corresponding injection towards the SSO
 - The storage customer nominates withdrawal from the undiscounted gas-account THE to the THE market area towards the SSO (with the corresponding shipper code for the undiscounted gas-account THE) and the corresponding entry to the German TSO system

If the undiscounted gas-account THE no longer contains any gas quantities, EWE will automatically withdrawal the remaining gas quantities towards THE first from the discounted gas-account THE (automatic balancing)

If the discounted gas-account THE no longer contains any gas quantities, EWE will automatically withdrawal the remaining gas quantities towards THE from the gas-account TTF (automatic balancing cross-border) and GTS will make a subsequent charge for the Exit Transport Fees (75 %)

Cross-border usage – use of the undiscounted gas-account THE – scenario 1



Cross-border usage – use of the gas-account TTF – scenario 2 (see following slide)

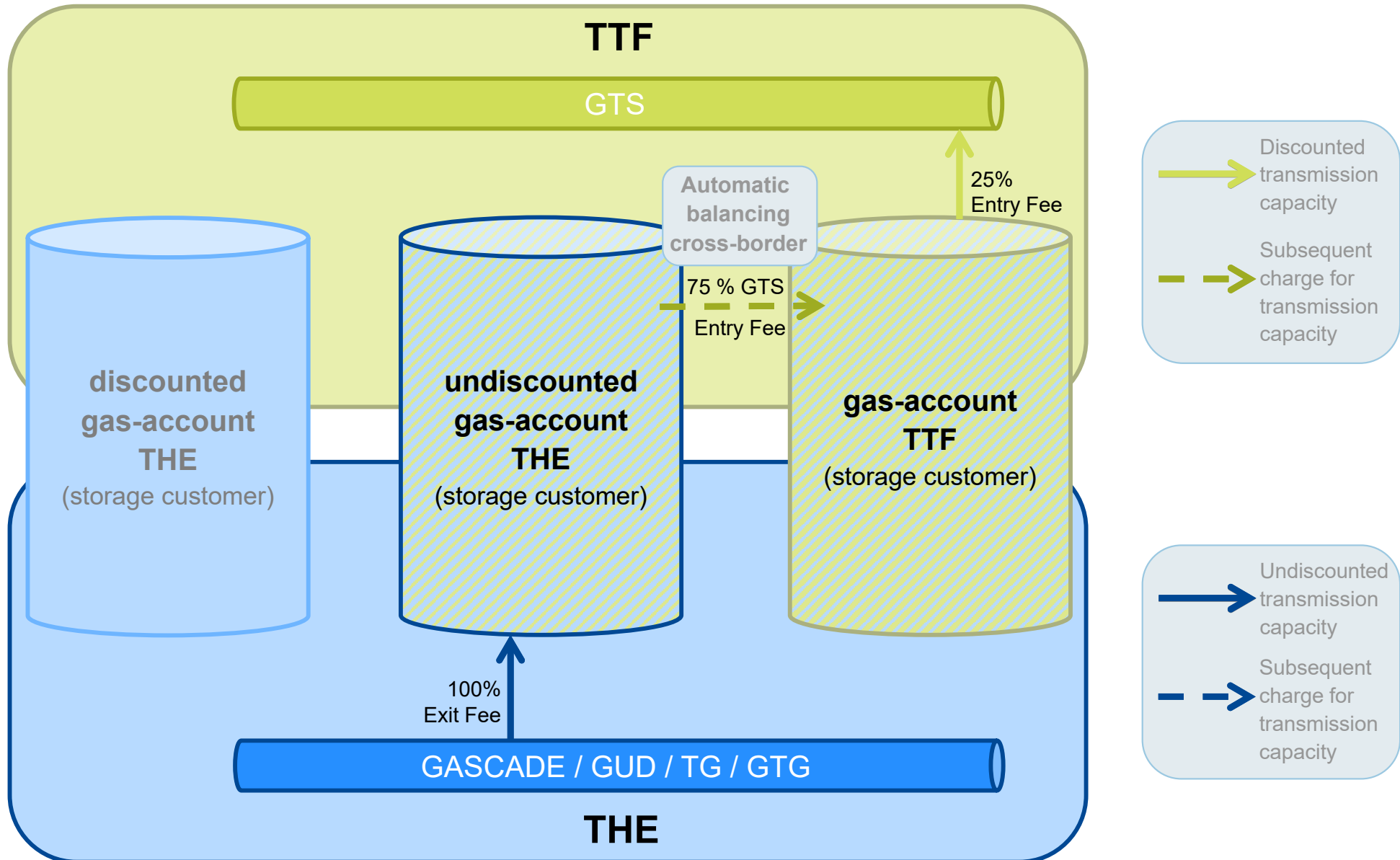
For the cross-border usage from D to NL, the storage customer uses

- the gas-account TTF (cross-border D -> NL):
 - The storage customer nominates exit from the German TSO system towards the undiscounted gas-account THE and the corresponding injection towards the SSO
 - The storage customer nominates withdrawal from the gas-account TTF to the TTF market area towards the SSO and the corresponding entry to the GTS system

If the gas-account TTF no longer contains any gas quantities, EWE will automatically withdrawal the remaining gas quantities towards TTF from the undiscounted gas-account THE (automatic balancing cross-border) and GTS will make a subsequent charge for the Entry Transport Fees (75 %)

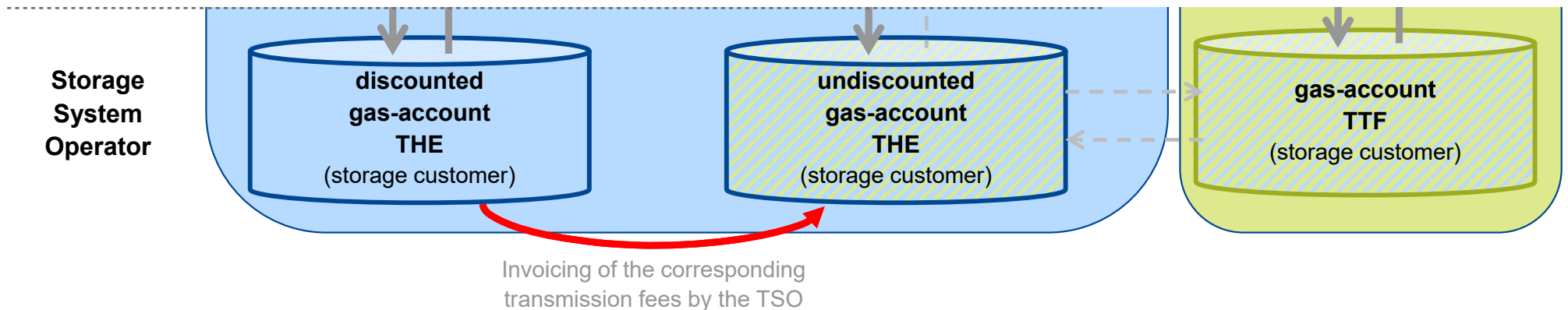
Gas quantities cannot be automatically withdrawn from the discounted gas-account THE towards TTF; instead, they must first be transferred to the undiscounted gas-account THE (including invoicing from the TSO); special case (slide 14)

Cross-border usage – use of the gas-account TTF – scenario 2



Special case: Transfer from the discounted gas account to the undiscounted gas account THE

A manual transfer from the discounted gas account to the undiscounted gas account THE is possible if a transmission network operator of the THE market area makes it possible by means of an invoicing of the corresponding transmission fee as published by the TSO.



Miscellaneous

A transfer of gas volumes between two storage customers is only possible between

- undiscounted gas-accounts THE,
- discounted gas-accounts THE or
- gas-accounts TTF.

Examples

based on hourly data

	Inventory before			Nomination/Allocation			Automatic balancing cross-border			Inventory afterwards		
	discounted	undiscounted	gas-account	discounted	undiscounted	gas-account	discounted	undiscounted	gas-account	discounted	undiscounted	gas-account
	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account	gas-account
	THE	THE	TTF	THE	THE	TTF	THE	THE	TTF	THE	THE	TTF
1 Cross-border undiscounted gas-account THE -> TTF	0	100.000	0	0	0	-100.000	0	-100.000	100.000	0	0	0
2 Cross-border gas-account TTF -> THE	0	0	100.000	0	-100.000	0	0	100.000	-100.000	0	0	0
3 Cross-border gas-account TTF -> THE (first discounted gas-account THE, then gas-account TTF)	50.000	0	100.000	0	-100.000	0	-50.000	100.000	-50.000	0	0	50.000
4 Cross-border undiscounted gas-account THE -> TTF (only from undiscounted gas-account THE, not from discounted gas-account THE)	50.000	100.000	0	0	0	-100.000	0	-100.000	100.000	50.000	0	0
5 Cross-border gas-account TTF -> THE simultaneously injection/withdrawal ("pipe through")	0	0	50.000		-100.000	100.000	0	100.000	-100.000	0	0	50.000
6 Cross-border undiscounted gas-account THE -> TTF simultaneously injection/withdrawal ("pipe through")	50.000	50.000	0		150.000	-150.000	0	-150.000	150.000	50.000	50.000	0
7 Cross-border gas-account TTF -> THE simultaneously injection/withdrawal (if there are still enough amounts in the gas-accounts THE -> no "pipe through")	50.000	70.000	0	0	-100.000	100.000	-30.000	30.000	0	20.000	0	100.000
8 Cross-border gas-account TTF -> THE simultaneously injection/withdrawal (if there are still amounts in the gas-accounts THE -> partly "pipe through")	50.000	70.000	0	0	-150.000	150.000	-50.000	80.000	-30.000	0	0	120.000
9 Cross-border undiscounted gas-account THE -> TTF (only from undiscounted gas-account THE, not from discounted gas-account THE) nomination/allocation <= inventory undiscounted gas-account THE negative inventories are not permitted	50.000	50.000	0	0	0	-70.000	0	-50.000	50.000	50.000	0	-20.000