

Report on revenues resulting from the allocation of interconnection

(Revenues resulting from auctions on cross- border transmission profiles)

The Energy Regulatory Office releases the Report on revenues resulting from the allocation of interconnection in accordance with item 6.5 of Guidelines on the management and allocation of available transfer capacity of interconnections between national systems which are enclosed to Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity.

Total income of the transmission system operator, CEPS, a.s., resulting from auctions on cross border transmissions profiles was **587. 7 million CZK** in the period from 1 July 2009 to 30 June 2010.

In compliance with article 6, paragraph 6 of the Regulation any revenues resulting from the allocation of interconnection shall be used for one or more of the following purposes:

- a) guaranteeing the actual availability of the allocated capacity;
- b) network investments maintaining or increasing interconnection capacities;
- c) as an income to be taken into account by regulatory authorities when approving the methodology for calculating network tariffs, and/or in assessing whether tariffs should be modified.

The Energy Regulatory Office checks if all incomes of the transmission system operator resulting from the allocation of interconnection are used in compliance with article 6, paragraph 6 of the Regulation, i.e. for reduction of prices for electricity transmission and for investments maintaining or increasing interconnection capacities.