

NC TAR	Description	Link	Further information
Information to be published before the tariff period			
Art. 30 (1)(a)	Information on parameters used in the applied reference price methodology related to the technical characteristics of the transmission system.	http://extranet.net4gas.cz/capacity_ee.aspx	Technical capacity at entry and exit points and associated assumptions.
		See table 1 below	Forecasted contracted capacity at entry and exit points and associated assumptions.
		See table 1 below	The quantity and the direction of the gas flow for entry and exit points and associated assumptions.
		https://www.ote-cr.cz/cs/statistika/dlouhodobarovnovaha/files_dlouhodobarovnovaha/plynarenska-soustava-cr.png	The structural representation of the transmission network with an appropriate level of detail.
		https://www.net4gas.cz/en/transmission-system/	Additional technical information about the transmission network.
Art. 30 (1)(b)(i)	Information on the allowed and/or target revenue.		The planned value of allowed revenue (intra-system) in 2020: 1,893 mil. CZK (without revenue from commodity-based tariffs). The planned value of target revenue (cross-system) in 2020: 4,266 mil. CZK (without revenue from commodity-based tariffs).
Art. 30 (1)(b)(ii)	Information related to changes in the revenue.		Information related to the changes in the revenue from one year to the next year (formula for yearly setting of allowed revenues including the correction factors) is described in chapter 9.3. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only). The annual change in the target revenue results from change of the methodology of setting transmission tariffs. The former methodology based on benchmarking was replaced by the cost-reflectivity methodology in line with NC TAR. The change in the target revenue was also caused by the significant future investments and related increase of booked transmission capacity.
Art. 30 (1)(b)(iii)	Information related the following parameters: types of assets, cost of capital, capital and operational expenditures, incentive mechanisms and efficiency targets, inflation indices.	Types of assets included in the regulated asset base and their aggregated value	The regulated asset base that is used for setting allowed revenue includes these types of assets: pipelines, compressor stations, transfer stations and other (auxiliary) assets. Planned value of regulated asset base in 2020: 7,979 mil. CZK. The regulated asset base that is used for setting target revenue includes these types of assets: pipelines, compressor stations, transfer stations and other (auxiliary) assets. Planned value of regulated asset base in 2020: 26,198 mil. CZK.
		Costs of capital and its calculation methodology	The value of nominal WACC that is used for setting allowed revenue (before tax) in 2020: 7.94%. Further information provides chapter 9.1.2. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only). The value of nominal WACC that is used for setting target revenue (before tax) in 2020: 8.18% (including risk premium). Further information provide chapters 9.3.3. and 9.3.6. of "Decision under Article 27 (4) of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas" available at: http://www.ero.cz/documents/10540/3795241/Decision_TAR_NC_ENG.pdf .
		Capital expenditures	The planned value of capitalised expenditure (on investments) that is used for setting the allowed revenue in 2020: 1,125 mil. CZK. The planned value of capitalised expenditure (on investments) that is used for setting the target revenue in 2020: 1,188 mil. CZK.
		Methodology to determine the initial value of the assets	The initial value of the regulated asset base for setting the allowed revenue was derived from the nominal value of historical investments. The RAB is annually updated by the difference between capitalised expenditure (on investments) and depreciation. According to the § 5 of the Notice No. 262/20015 Coll. of 14 October 2015, on the Regulatory reporting, as amended by Notice No. 50/2017 Coll. (https://www.ero.cz/-/vyhlaska-c-262-2015-sb-o-regulacnim-vykaznictvi?inheritRedirect=true - available in Czech only), the capitalised expenditures for setting the RAB are expressed in gross book value. Further details are available in chapter 6.1.4. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only). The initial value of the regulated asset base for setting the target revenue equals the net book value of the asset necessary for providing the cross system transmission services.

Art. 30 (1)(b)(iii)	Information related the following parameters: types of assets, cost of capital, capital and operational expenditures, incentive mechanisms and efficiency targets, inflation indices.	Methodology to re-evaluate the assets	<p>The value of RAB that is used for setting the allowed revenue is not re-evaluated. The allowed profit equals RAB multiplied by nominal WACC.</p> <p>Further details are available in chapters 6.1.4. and 6.1.5. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only)</p> <p>The value of RAB that is used for setting the target revenue is not re-evaluated. The profit equals RAB multiplied by nominal WACC (including risk premium).</p>
		Explanation of the evolution of the value of assets	<p>The formula for annual adjustment of RAB that is used for setting allowed revenue is described in chapter 9.3. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only).</p> <p>The adjustment of RAB value is in line with accounting rules. Meaning that from RAB value is subtracted the value of depreciation and added the value of new investments.</p>
		Depreciation periods and amounts per asset type	<p>Individual depreciation rates and minimum depreciations periods are disclosed in Appendix 10 of the Notice No. 262/20015 Coll. of 14 October 2015, on the Regulatory reporting, as amended by Notice No. 50/2017 Coll. (https://www.ero.cz/-/vyhlaska-c-262-2015-sb-o-regulacnim-vykaznictvi?inheritRedirect=true - available in Czech only).</p> <p>The planned values of depreciation of individual assets using for calculation of the allowed revenue in 2020: Pipelines: 437 mil. CZK Compressor stations: 33 mil. CZK Transfer stations: 89 mil. CZK</p> <p>The planned values of depreciation using for calculation of the target revenue in 2020: 1,244 mil. CZK.</p>
		Operational expenditures	<p>The initial cost base is adjusted annually by escalation factor and general efficiency factor.</p> <p>The value of allowed costs in 2020: 526 mil. CZK</p> <p>The value of operational expenditures used for setting the target revenue for 2020: 665 mil. CZK.</p>
		Incentive mechanisms and efficiency targets	<p>The general efficiency factor of 1.01% is annually applied to the initial cost base. Further details are available in chapter 6.2. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available in Czech only).</p> <p>No incentive mechanisms and efficiency targets are used when setting the target revenue.</p>
		Inflation indices	<p>The escalation factor is annually applied to the initial value of allowed costs. The value of escalation factor in 2020: 102.946%</p> <p>Further details are available in chapter 6.2. of Principles of price regulation for period since 2016 to 2018 with extended effect until 31.12.2020 ("Zásady cenové regulace pro období 2016 až 2018 s prodlouženou účinností do 31.12.2020") published by Energy Regulatory Office for the IV. regulatory period. http://www.ero.cz/documents/10540/3550177/Zasady-cenove-regulace-IV-RO-prodlouzene-do-2020.pdf (available only in Czech).</p> <p>No inflation indices are used when setting the target revenue.</p>
		Art. 30 (1)(b)(iv,v)	Information on the transmission services revenue including capacity-commodity split, entry-exit split and intra-system/ cross-system split.
Capacity-commodity split	Capacity-commodity split in 2020: 97% capacity 3% commodity		
Entry-exit split	Entry-exit split in 2020: 16% entry 84% exit		
Intra-system/cross-system split	Intra-system/cross-system split in 2020: 30% intra-system 70% cross-system		

Art. 30 (1)(b)(vi)	Information related to the previous tariff period regarding the reconciliation of the regulatory account.	The actually obtained revenue	The actually obtained revenue for providing intra system transmission services in 2018: 1,286 mil. CZK The cross system gas transmission falls under the price cap regime therefore the regulatory account is not applicable.
		The under- or over-recovery of the allowed revenue	There was the under-recovery (209 mil. CZK) in 2018 in the Czech Republic.
		The part of under- or over-recovery attributed to the regulatory account	100% of the value of under-recovery was attributed to the regulatory account.
		The reconciliation period and the incentive mechanisms implemented	The reconciliation of under-recovery is in the next tariff period without implementation of any incentive mechanism.
Art. 30 (1)(b)(vii)	Information on the intended use of the auction premium.		The auction premium is intended to reduce physical congestion.
Art. 30 (1)(c)	Information on transmission and non-transmission tariffs accompanied by the relevant information related to their derivation.	Commodity-based transmission tariffs referred to in Article 4(3).	Commodity-based transmission tariffs are calculated on the basis of forecasted flows and distances. Commodity-based transmission tariffs are set at all exit points. Tariffs for 2020: IP: 0.0026 * gas price (at EEX - NCG) DSO and DCC: 0.78 Kč/MWh UGS: 0.30 Kč/MWh Further information is published in chapter 17 of ""Decision under Article 27 (4) of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas" available at: http://www.eru.cz/documents/10540/3795241/Decision_TAR_NC_ENG.pdf .
		Non-transmission tariffs for non-transmission services referred to in Article 4(4)	N/A
		The reference prices and other prices applicable at points other than those referred to in Article 29.	The reference prices and other prices applicable at points other than those referred to in Article 29 are published in Energy Regulatory Office Price Decision No. 1/2019 of 21 May 2019 and in Energy Regulatory Office Price Decision No. 4/2019 of 26 November 2019. Available at: http://www.eru.cz/en/-/cenove-rozhodnuti-c-1-2019 . http://www.eru.cz/en/plyn/cenova-rozhodnuti (English version of Price decision No. 4/2019 will be available in January 2020).
Art. 30 (2)(a)	Information on transmission tariff changes and trends.	Explanation of the difference in the level of transmission tariffs for the same type of service applicable for the prevailing period and for the period for which the information is published.	The differences in the level of transmission tariffs in 2019 and 2020 results from the change of the methodology of setting transmission tariffs. The former methodology was replaced by the new CWD reference price methodology which uses the forecasted booked capacities and distances as cost drivers. The detailed description of the new CWD reference price methodology can be found in "Decision under Article 27 (4) of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas" available at: http://www.eru.cz/documents/10540/3795241/Decision_TAR_NC_ENG.pdf
		Explanation of the estimated difference in the level of transmission tariffs for the same type of transmission service applicable for the tariff period for which the information is published and for each tariff period within the remainder of the regulatory period.	NA The year 2020 is the last year of the IV. regulatory period. The estimation of the level of transmission tariffs until the end of 2025 is published in chapter 19 in "Decision under Article 27 (4) of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas" available at: http://www.eru.cz/documents/10540/3795241/Decision_TAR_NC_ENG.pdf .
Art. 30 (2)(b)	Information about the used tariff model and an explanation how to calculate the transmission tariffs applicable for the prevailing tariff period.		The simplified model is published on the Energy Regulatory Office website (http://www.eru.cz/en/informace-podle-tar-nc).

Table 1

Plan for year 2020	Daily booked transmission capacity	Planned quantity of gas flow
	MWh/day	MWh/year
Entry points	x	x
IP - Lanžhot	111,014	nap
IP - VIP Waidhaus	18,774	nap
IP - VIP Brandov	1,136,296	nap
Sum of IPs	1,266,084	nap
UGSs	141,636	nap
Domestic point	0	nap
Exit points	x	x
IP - Lanžhot	779,066	246,334,543
IP - VIP Waidhaus	20,000	1,098,000
IP - VIP Brandov	110,359	33,603,346
IP - Český Těšín	18,138	6,638,669
Sum of IPs	927,563	287,674,558
UGSs	134,069	32,627,492
Domestic point	597,031	94,419,710