



## DELIBERATION NO. 2018-069

# Deliberation of the French Energy Regulatory Commission of 22 March 2018 forming a decision on the introduction of a storage tariff term into the tariff for the use of GRTgaz and TIGF transmission networks

Present: Jean-François CARENCO, President, Christine CHAUVET, Catherine EDWIGE, Hélène GASSIN, Jean-Laurent LASTELLE and Jean-Pierre SOTURA, Commissioners.

Translated from the French: only the original in French is authentic

French Law 2017-1839 of 30 December 2017 ending search for and exploitation of hydrocarbons, and introducing various provisions relating to energy and the environment was published in the *Journal Officiel de la République Française* on 31 December 2017.

Article 12 thereof provides for regulation of the revenue of storage operators. The storage capacities are auctioned, and the difference (positive or negative) between revenues mainly coming from auctions and the allowed revenue of the storage operators is compensated as part of the tariff for the use of the gas transmission network, known as the ATRT tariff, by a dedicated tariff term. Auction modalities are set by the Commission de régulation de l'énergie (French Energy Regulatory Commission - CRE) after proposal of the operators.

The aim of regulated access to underground natural gas storages to third parties is to guarantee the necessary filling of the storages to ensure the supply security, while getting at the same time transparency on storage costs and removing the complexity associated with the former system of individual obligations.

Articles L. 452-1 à L. 452-3 of the French Energy Code cover the tariff competencies of the CRE.

In particular, Article 452-1 of the French Energy Code states that "*part of the amount recovered according to the methods set out by the French Energy Regulatory Commission is reversed by the transmission network managers to the underground natural gas storage operators referred to in Article L.421-3-1*" and that "*the natural gas network usage tariffs may be comprised of a fixed part, a part proportional to the capacity subscribed to, and a part proportional to the difference between the fixed capacity subscribed to in winter and the average annual usage of this capacity*".

In particular, Article L.452-2 of the French Energy Code states that "*The methods used for establishing tariffs for the use of the natural gas transmission networks [...] are set by the French Energy Regulatory Commission. [...] the storage installation operators mentioned in Article L. 421-3-1 provide the French Energy Regulatory Commission, on request by the latter, with the items, in particular accounting and financial, necessary to enable it to deliberate on the changes in tariffs for using the natural gas networks [...]*".

Furthermore, Article L. 452-3 of the French Energy Code states that the CRE "*deliberates on changes in tariffs [...] with, where applicable, the modifications to the level and structure of the tariffs that it deems justified in view, in particular, of the analysis of the accounts of the operators and the predicted change in investment and operating charges. [...]*".

The aim of this deliberation is to introduce as of 1 April 2018 an additional tariff term into the the ATRT tariff, which will allow the difference between the allowed storage operator revenue and the receipts received directly as part of their activity to be compensated.

The *Conseil Supérieur de l'Energie*, consulted by CRE on its draft decision, gave its opinion on 13 March 2018.

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## 1. METHODOLOGY

### 1.1 Consultation with stakeholders

Against the background of reforming access by third parties to underground natural gas stocks, the CRE intended to involve as many stakeholders with as much advance notice as possible to provide them with the best possible transparency.

In particular, on 13 October 2017 the CRE organised a workshop with those involved in the market to set out initial guidance and the first thoughts of the TSOs about the methods for compensating storage costs. Non-confidential contributions received at the end of this workshop are published on the CRE website<sup>1</sup>.

The CRE then held a public consultation from 21 December 2017 to 23 January 2018 in order to gather the views of the interested parties about the introduction of a compensation term in the transmission tariff based on the regulation of the level of allowed revenue for storage operators.

57 contributions were submitted to the CRE:

- 26 are from shippers or from shipping associations;
- 9 are from industrial consumers or from industrial associations;
- 14 are from other associations or bodies;
- 8 are from infrastructure operators.

Non-confidential responses are published on the CRE website<sup>2</sup>.

At the end of the public consultation, the CRE also organised a round table with those shippers and consumers having responded to the consultation. It also heard from storage operators and their shareholders on several occasions.

### 1.2 Introduction of a storage tariff term depending on the winter modulation in tariff ATRT6

Article L. 452-1 of the French Energy Code states that "*the tariffs for using transmission networks [...] are established in a transparent and non-discriminatory manner to cover all costs borne by the transmission network operators and the storage infrastructure operators mentioned in the same Article L. 421-3-1 [...]*".

Furthermore, it states that, "*the natural gas network usage tariffs may be comprised of a fixed part, a part proportional to the capacity subscribed to, and a part proportional to the difference between the fixed capacity subscribed to in winter and the average annual usage of this capacity*" and that "*part of the amount recovered in according to the methods set out by the French Energy Regulatory Commission is reversed by the transmission network managers to the underground natural gas storage operators mentioned in Article L.421-3*".

As such, the Law states that the storage operators receive their allowed revenue:

- on the one hand, by means of income received directly by the storage operators, mainly from the commercialization of their underground natural gas capacities whose methods are set by the CRE in its deliberation of 22 February 2018 establishing the methods for commercializing storage capacities when implementing regulated access by third parties to underground natural gas storages in France;
- on the other, in the event of the income received directly by the operators being lower than their allowed revenue, by means of compensation collected by the transmission network operators (TSOs) from their customers and reversed to the storage operators. The methods for collecting and reversing this compensation are set out in this deliberation.

As such, once the storage capacity auctions have practically been completed, the CRE will set before 1 April 2018 the compensation for each of the three storage operators corresponding to the difference between the 2018 allowed operator revenue, set in the deliberation of 22 March 2018<sup>3</sup>, and the forecasts for income received directly by the storage operators for 2018.

<sup>1</sup> Contributions received after the workshop of 13 October 2018

<sup>2</sup> [Public consultation regarding the implementation of regulated access by third parties to underground natural gas storages in France](#)

<sup>3</sup> Deliberation of the French Energy Regulatory Commission forming a decision on the tariff for the use of the underground natural gas storage infrastructures of Storengy, TIGF and Géométhane.

### 1.2.1 Introduction of an additional tariff term in tariff ATRT6

In this deliberation, the CRE is adding a tariff term, known as the 'storage term', to tariff ATRT6. The aim of this term is to recover the amount of compensation from shippers on the GRTgaz and TIGF transport networks.

The methods for calculating the level of this tariff term are described in Section 2.3 of this deliberation. The level of the storage term applicable on 1 April 2018 will be the subject of an additional deliberation of the CRE at the end of March 2018. By then, the CRE will have the most complete auction revenue forecast possible and, as a result, will be able to set the fairest term level. The storage term is identical for GRTgaz and TIGF.

This deliberation completes that of 7 February 2018 resolving the tariff for using the GRTgaz and TIGF transmission networks on 1 April 2018<sup>4</sup>.

### 1.2.2 Basis for receiving compensation

#### 1.2.2.1 Basis envisaged by the CRE in its public consultation

In its analysis presented in the public consultation, the CRE considered that:

- on the one hand, the storages allow the shippers to withdraw and sell cheaper gas in winter than they injected during the summer. This value, commonly called 'market value', should be reflected in the commercialization income for the storage capacity auctions;
- on the other, at times of critical situations during which the capacities available at the French borders (at terminals and interconnections) are not enough to guarantee the supply to final customers, the storages will supply as a priority gas to customers whose supply cannot be interrupted, in particular domestic customers. This 'supply security' value should be reflected in the compensation.

In the system of storage rights and obligations established by French Decree 2006-1034 of 21 August 2006, which was applied up until 2018, the supply security, the guarantee for filling the storages to ensure supply security during the winter peak was assured by the presence of obligations on suppliers supplying consumers not suitable for load-shedding connected to the distribution network. This obligation increased depending on the winter modulation of the consumers.

In order to better reflect the supply security value, the CRE has proposed, for the storage term, a compensation basis with a similar scope to that of the storage obligations of the shippers under the previous system. This scope includes final customers whose supply must be guaranteed or cannot be interrupted in critical situations, depending on their winter modulation. When implementing storage reforms in restricted deadlines, this basis also has the advantage of keeping costs necessary for the proper functioning of the markets predictable.

As such, the basis envisaged by the CRE in its public consultation included the following categories of clients connected to the distribution networks:

- domestic clients, including households residing in a building with shared gas heating;
- non-domestic customers performing tasks of general interest associated with meeting the essential needs of the nation<sup>5</sup>;
- clients not having accepted under contract supply liable to interruption, or who have not been declared as suitable for load-shedding.

#### 1.2.2.2 Summary of responses to the public consultation

The majority of contributors stated that they are in favour of the basis proposed by the CRE. Several suppliers and industrial customers highlight the importance of economic continuity. They highlight the importance of predictability when quickly implementing the reform. They also point out the issues around being competitive, indeed economically feasible, for example with gas-fired combined cycle power plants. Nevertheless, the majority regard providing feedback in the short term as necessary.

On the contrary, several contributors declared themselves in favour of different perimeters:

- certain of them are in favour of a more restricted basis in line with the notion of protected customer provided for by Article 2 (5) of (EU) Regulation 2017/1938, in other words residential customers connected to the distribution network and, if the Member State so decides, under certain conditions, (i) small- and medium-sized enterprises connected to the distribution network, (ii) essential welfare services and (iii) urban heating installations supplying communal heating under certain conditions;

<sup>4</sup> Deliberation of the French Energy Regulatory Commission of 7 February 2018 deciding on the evolution of the the tariff for the use of the GRTgaz and TIGF transmission networks as 1 April 2018

<sup>5</sup> The list of these clients is set out in each Department by Prefectoral Decree.

- others, on the contrary, consider that the risk of interruption to supply is systemic, and are in favour of a wider basis. They consider that stocks also benefit clients that cannot be interrupted connected to the transmission network. As a result, they are in favour of extending the compensation basis to this last category.

### **1.2.2.3 CRE analysis**

With the aim of economic continuity within a restricted deadline for implementing regulated access by third parties to underground natural gas storage infrastructures, and in order to account for storage contributions for users of the gas networks whose supplies cannot be interrupted in the event of a supply crisis, the CRE is adopting on 1 April 2018 a basis for receiving the compensation corresponding to the following categories of users:

- residential clients, including households residing in a building with communal gas heating;
- non-domestic customers performing tasks of general interest associated with meeting the essential needs of the nation connected to the distribution network;
- clients connected to the distribution network not having accepted under contract supply liable to interruption, or who have not declared themselves as suitable for load-shedding.

The methods for an interruptibility mechanism under contract, and in particular the type or volume where clients could benefit from it, are not known at this stage. The transmission customers who cannot be interrupted cannot be identified at this stage. Furthermore, the gas emergency plan<sup>6</sup> provides for graded measures in the event of a supply crisis, according to which the customers connected to the transmission network are subject to load-shedding before those connected to the distribution network, with load-shedding of the latter being reserved for the most critical situations.

In addition, concerning the definition of the notion of 'protected customer' under European law, the provisions of Regulation (EU) 2017/1938 provide for the possibility for Member States to impose additional obligations to guarantee the supply of gas in a broader scope.

## **1.3 Calculating the winter modulation**

### **1.3.1 Reminder of the methods proposed by GRTgaz and TIGF in the public consultation**

#### **1.3.1.1 Method 1: 'Peak P2'**

Method 1, known as 'Peak 2', consists in billing the compensation depending on the level of peak consumption for each consumer and its average consumption, with the previous obligations system pointed out.

Each final client of a shipper is allocated a modulation corresponding to the difference between its peak consumption at risk 2%, i.e. at an extremely low temperature three days in a row as it occurs statistically every 50 years, and 110% of its average daily consumption.

This method consists in calculating the PS peak for not only 'non-subscription' customers, but also for 'subscription' customers ('non-subscription' and 'subscription' customers are defined in paragraph 3.1.1). The DSOs actually also allocate to the latter an annual reference consumption (ARC) and a reference profile based on their share of the winter modulation in accordance with the method applied for the 'non-subscription' customers. The ARCs and the profiles allocated to these customers would be passed on to the TSOs by the DSOs.

- Peak consumption is determined by the following formula:

$$Pointe P2 = A. zi. CAR$$

Where:

- CAR is the Annual Reference Consumption (ARC) corresponding to the annual consumption of a Metering and Estimation Point (MEP) in an average climatic year.
- A is a coefficient reflecting the ratio between the capacities referred to as 'standardised', calculated by the TSOs for the 'non-subscription' DPs supplied upstream by each DSO over each balancing zone and, over the same perimeters, the daily peak consumption of these DPs calculated by the profiling algorithm of the DSOs;

<sup>6</sup> French Decree of 28 November 2013 adopting the gas emergency gas plan applied by Regulation (EU) 994/2010 of the European Council and the Council of 20 October 2010 concerning measures to safeguard the security of the supply of natural gas .

-Zi coefficient: conversion coefficient taking into account the weather station and the customer's consumption. The method for allocating profiles is available on the gas working group's site<sup>7</sup>.

Subject to implementation of an interruptibility mechanism, the capacities to be contracted as interruptible by a customer (hereinafter 'Int.') would be deducted from the modulation. As such, the final formula for calculating the final customer's final modulation would be as follows:

$$\text{Modulation client (MWh/j)} = A.zi.CAR - 110\% \times \frac{CAR}{365} - Int$$

The modulation of a customer declared as subject to load-shedding would be set at 0 MWh/d.

### **1.3.1.2 Method 2: 'subscribed capacities - average daily consumptions'**

Method 2, known as 'subscribed capacities - average daily consumptions', presented and preferred by both TSOs, provides for the compensation to be paid by each shipper to be applied to the difference, when positive, between, on the one hand, the fixed capacity subscribed to by each of its customers at each PITD and, on the other, the amount of average daily consumption of each client and the part of its consumption declared as interruptible. Customers having declared themselves as subject to load-shedding are excluded from this calculation

As such, the modulation allocated to each customer would be as follows:

$$\text{Modulation client (MWh/j)} = \text{Max}(0; C/JN - \frac{CAR}{365} - Int)$$

where the C/JN is the French acronym for the standardised daily capacity of the customer (SDC).

This method introduces a bias for counter-modulated 'subscription' customers who would pay compensation due to the fact of modulation, increasing in summer, while they do not pay it in the current system of storage obligations.

By way of exception, and to correct this bias, the TSOs are proposing that the customer modulation is set at 0 MWh/d for customers with a P013 profile (Winter Part lower or equal to 39%) or P014 (Winter Part comprised of between 39% and 50%).

The modulation of a customer declared as subject to load-shedding would be set at 0 MWh/d.

### **1.3.2 Summary of responses to the public consultation**

The majority of those involved having responded to the public consultation are in favour of method 2 referred to as 'subscribed capacities - average daily consumptions'. They consider that they represent a consumer's modulation natural gas needs more directly, and that it is easy to implement.

Certain of those involved, despite stating that they are in favour of method 2, consider that an alternative method based solely on the subscribed capacity at the PITD would be easier to implement.

Others involved consider that using the annual reference consumption (ARC) in place of the customer's actual consumption introduces a bias into the distribution of consumption costs between profiles and geographical level.

Finally, only one of those involved is in favour of method 1, referred to as 'Peak P2'. Another party involved would also be in favour if the factor of 110% applied to the ARC was removed.

### **1.3.3 CRE analysis**

The CRE is in favour of applying method 2, referred to a 'subscribed capacities - daily average consumptions'. This method actually takes into account the modulation of the different consumers while being easy to implement. It also leads to a distribution close to that of the previous system.

The CRE is also in favour of excluding customers with a profile of P013 or P014 from the compensation basis.

Furthermore, the proposal of certain of those involved to apply a method for calculating compensation based on the sole capacity subscribed to was studied and rejected for not allowing modulation to be sufficiently taken into account.

<sup>7</sup> Zi coefficient calculations



## **1.4 Reversal of compensation by the TSOs to the storage operators**

### **1.4.1 Proposal of GRTgaz**

GRTgaz is proposing that the compensation is collected by each TSO from those using its network for and on behalf of the storage operators, and then reversed to the latter in proportion to the compensation having to be received.

In M+1, GRTgaz and TIGF will receive the payments from the shippers and reverse them in M+2 to the storage operators. Hence:

- TIGF will pay  $\alpha$  % of the amount received to Storengy,  $\beta$  % of the amount received to TIGF Stockage, and  $\delta$  % to Géométhane;
- GRTgaz will pay  $\alpha$  % of the amount received to Storengy,  $\beta$  % of the amount received to TIGF Stockage, and  $\delta$  % to Géométhane;

Where:

- $\alpha$ : the ratio between Storengy's provisional annual compensation and the total annual provisional compensation.
- $\beta$ : the ratio between TIGF Stockage's provisional annual compensation and the total annual provisional compensation.
- $\delta$ : the ratio between Géométhane's provisional annual compensation and the total annual provisional compensation.

GRTgaz is proposing that each of the TSOs signs a contract with every storage operator covering the recovery and reversal of the compensation, and setting out the undertakings of each of the stakeholders as well as the methods of operation. With regard to the shippers, contracting for collecting the compensation would be integrated with the routing contract.

### **1.4.2 Proposal of TIGF**

In its proposal, TIGF is proposing a method for reversing compensation that would allow the flow between operators to be limited, with each TSO calculating for and on behalf of the storage operator active in its zone the compensation to be paid to the latter:

- if the amount of the reversal to be made by the TSO is lower than the compensation for the storage operator in its balancing zone, the TSO only makes one single payment to this storer;
- if the amount of the reversal to be made by the TSO is greater than the compensation for the storage operator in its balancing zone, the TSO makes a reversal for each of the storage operators.

### **1.4.3 Summary of responses to the public consultation**

All of those involved having responded to the public consultation are in favour of GRTgaz's proposal, according to which both TSOs pay compensation to the three storage operators. Not only is this system clearer and more comprehensible for the entire community, but it also has the advantage of being systematically applicable, contrary to the mechanism proposed by TIGF.

### **1.4.4 CRE analysis**

The CRE is in favour of GRTgaz's proposal, and considers it fairer among the storage operators and providing more transparency for those involved in the market. As the compensation calculation has been established for the whole of France, reversing this compensation by zone does not seem very appropriate.

The CRE is also in favour of both TSOs entering into a contract with each of the storage operators to cover the methods of providing this service. The terms and conditions of this contract shall guarantee equal treatment for all storage operators.

The costs for collecting and reversing compensation, set by each storage operator at 130 k€ per TSO for 2018, will be covered in the storage operators' allowed revenue.

The compensation will be reversed to the storers at the start of month M+2 and will be based on revenue actually collected by the TSOs.

## **2. PARAMETERS FOR SETTING THE LEVEL OF THE STORAGE COMPENSATION TARIFF TERM**

### **2.1 Compensation basis within France**

The value of the compensation basis corresponds to the amount, across France, of the winter modulation for customers connected to the gas distribution network of each shipper subscribed to fixed delivery capacities at the PITDs. This winter modulation is set out in 3.1.2 of this deliberation.

The provisional value of this basis for 2018 will be precised in a subsequent CRE deliberation at the end of March 2018.

### **2.2 Amount of compensation to be levied**

The amount of compensation to be levied by an operator, and that will be collected by the TSOs, corresponds to the difference between (i) the allowed revenue of the operator for 2018, set by the CRE in its deliberation of 22 March 2018, and (ii) the forecast receipts levied directly by the storage operator with regard to 2018. This calculation is performed for each of the operators, and allows the coefficients  $\alpha$ ,  $\beta$  and  $\delta$  for distribution between the storage operators provided for in 1.4.4 to be calculated.

The amounts to be adopted by the CRE for calculating the 2018 compensation are as follows:

- (i) for the allowed revenue, the CRE adopts the amount set in its deliberation of 22 March 2018;
- (ii) for the provisional receipts levied directly by the storage operators, the CRE adopts in particular:
  - a. the income collected by the storage operators for the first 3 months of 2018, including subscription of storage capacities or additional services for 2017-2018;
  - b. income collected by the operators with regard to storage capacities and additional services for 2018-19 with regard to the last 9 months of 2018. In order to adopt the amount closest to that achieved, the CRE will take into account the provisional income from auctions at the end of March 2018.

The amount of compensation is calculated on an annual basis. It will be set in a CRE deliberation at the end of March 2018.

### **2.3 Calculating the provisional level of the storage tariff term**

The tariff term is established for the whole of France. It is expressed in €/MWh/d/year, and corresponds to the ratio between the amount of compensation for France to be collected by the storage operators (as set out in 2.2 of this deliberation) and the basis for collecting compensation (as set out in 2.1 of this deliberation).

The storage tariff level will be reviewed annually to account for changes in the allowed revenue and the amounts collected by the storage operators at capacity marketing auctions.

The storage tariff term applicable on 1 April 2018 will be published by the CRE in a subsequent deliberation at the end of March 2018 to account for the provisional result of 2018-2019 capacity commercialization auctions.

**3.ADDING TO THE TARIFF FOR THE USE OF NATURAL GAS TRANSMISSION NETWORKS OF GRTGAZ AND TIGF, APPLICABLE ON 1 APRIL 2018**

**3.1 Amendment to the ATRT tariff rules (part 3 of the deliberation of 7 February 2018<sup>8</sup>)**

**3.1.1 Definitions**

The following definitions complete those listed in paragraph 3.1.1 of the deliberation of 07 February 2018.

**Delivery point (DP)**

Point of exit from a distribution network where a distribution network operator delivers gas to an final customer in performing a routing contract on the distribution network. A metering and estimation point (MEP) with a unique 14-digit number allowing it to be identified is generally connected to each DP. Nevertheless, by way of exception one DP may group together several MEPS if they are upstream of the same individual junction.

**Annual reference consumption (ARC):**

Estimated quantity of gas consumed over a year under average climatic conditions for a metering and estimation point (MEP).

**Storage term (ST)**

Unitary tariff term aimed at recovering a proportion of underground natural gas storage operator revenue applicable to the shippers, where the fixed capacity is attributed to a PITD and according to the winter modulation of customers connected to a public distribution network.

**'Non-subscription' customer:**

Client falling under options T1, T2 and T3 of the tariffs for using the distribution networks. As these options do not include any capacity subscription term, the DPs of these clients are therefore 'non-subscription'. A so-called 'standardised' capacity, determined based on its ARC, its profile, the 2% peak temperature of the weather station to which the PITD in question is attached, and an adjustment coefficient 'A' is associated with each 'non-subscription' DP.

**'Subscription' customer:**

Client falling under options TF, T4 and TP of the tariffs for using the distribution networks. For these DPs, the supplier is free to reserve the requested capacity.

**Winter Part (WP):**

The ratio between the customer's consumption for the months of November to March inclusive and its consumption over the entire calendar year.

**3.1.2 Storage tariff term depending on the winter modulation**

The following provisions supplement part 3.2 of the deliberation of 07 February 2018.

Any shipper allocating the fixed delivery capacity to at least one Transport Distribution Interface Point (PITD) allocates a storage tariff term (ST) according to the winter module of its customers connected to the public gas distribution network in its portfolio on the first day of each month. This modulation is calculated based on the data transmitted by the public gas distribution network operators. The aim of this term is to recover part of the revenue of the underground natural gas storage operators.

The basis for collection the compensation to be levied with each shipper is defined as the sum of bases for each of its clients connected to the gas distribution networks.

The level of winter modulation is determined on the first of each month for each of the customers as follows:

$$\text{Modulation client (MWh/j)} = \text{Max}(0; C/JN - \frac{CAR}{365} - Int)$$

Where:

<sup>8</sup> Deliberation of the French Energy Regulatory Commission of 07 February 2018 resolving the tariff for using the GRTgaz and TIGF transmission networks on 1 April 2018



- the Annual Reference Consumption (ARC) is the annual consumption of a Metering and Estimation Point (MEP) in an average climatic year.
- The Standardised Daily Capacity (SDC) is defined according to the type of client:

'non-subscription' customer:  $SDC = A \cdot z_i \cdot CAR$   
 Where:

- o A is a coefficient reflecting the ratio between the capacities referred to as 'standardised', calculated by the TSOs for the 'non-subscription' DPs supplied upstream by each DSO over each balancing zone and, over the same perimeters, the daily peak consumption of these DPs calculated by the profiling algorithm of the DSOs;
- o Zi coefficient: conversion coefficient taking into account the weather station and the customer's consumption. The method for allocating profiles is available on the gas working group's site<sup>9</sup>.

subscription customer: the SDC is equal to its daily routing capacity (DRC) on the first day of each month.

- Int: the capacities that would be under contracted as interruptible by a customer, subject to the implementation of an interruptibility mechanism.

By way of exception, the customer modulation is set at 0/MWh/d for the customers:

- declared as subject to load-shedding: customers having declared themselves as suitable for load-shedding during the survey undertaken by the network operators and therefore undertaking to reduce their consumption to the level indicated during this survey<sup>10</sup> ;
- counter-modulated: customers with a P013 (Winter Part lower or equal to 39%) or P014 profile (Winter Part between 39% and 50% inclusive). The profiles are allocated by the DSOs according to the method published on the gas working group website<sup>11</sup>.

The public gas distribution network operators (DSOs) provide the TSOs with the data required for calculating the level of winter modulation as defined above.

In certain cases, in particular for certain DSOs without information about the consumption profile of their historic client bases, certain data (ARC, profiles) may not be available. The TSOs may replace the ARC with an equivalent function for estimating the overall ARC for the PITD.

Finally, where a DSO fails to provide the data in time required for calculating the basis for the clients in its perimeter, the TSO will apply, for these customers in question, a method based on the capacity subscribed to. This calculation will be corrected at a later date once the DSO has provided the data.

<sup>9</sup> [Zi coefficient calculations](#)

<sup>10</sup> [Load-shedding questionnaire of GRDF](#)

<sup>11</sup> [Table of profiles applicable from 1 April 2018 to 31 March 2019](#)

#### **4. DECISION**

1- The CRE completes the deliberation of 07 February 2018 resolving the change in using GRTgaz and TIGF gas transmission networks on 1 April 2018 by adding a storage tariff term, in accordance with the methodology and perimeters that it sets in this deliberation.

This terms aims at covering the compensation for the storage operators, corresponding to the difference between theirs allowed revenues for 2018, set in CRE's decision of 22 March 2018<sup>12</sup>, and their forecasted receipts for 2018.

It depends on winter modulation of non-interruptible or not suitable for load-shedding consumers connected to the distribution gas network.

2- and forecasting the reversal of income from this term to the storage operators

3- The present deliberation will be published in the *Journal Officiel de la République Française*.

4- This deliberation will be published on CRE's website, and forwarded to Storengy, TIGF and Geomethane.

5- This deliberation will be forwarded to the Minister of State, Ministry for Ecological and Sustainable Transmission, and the Minister for the Economy and Finance.

**Deliberated in Paris on 22 March 2018,  
For the French Energy Regulatory Commission  
The President,**

**Jean-François CARENCO**

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<sup>12</sup> Decision of Commission de Régulation de l'Energie of 22 March 2018 forming a decision on the tariff for the use of the underground natural gas storages of Storengy, TIGF and Geomethane