

Energy Traders Europe comments to the proposed alternative tariff methodology to ensure compliance with judgments of the Council of State No. 8523 and No. 7386

Energy Traders Europe welcomes the opportunity to comment on the ARERA-proposed alternative methodology for the non-penalization of transport users importing from the 'Mezzogiorno'. Regarding the compensation mechanism, we praise ARERA's suggested solution, which is not retroactive and involves transport users with a positive net position only, thus protecting shippers that planned and concluded commercial operations relying on the stability of the main lines of the tariff structure then in force.

1. However, we would like to express our concern regarding the methodology to calculate the net position of the operators, which **should not be based on all the entry and exit redetermined tariffs, but should instead exclude the exit tariffs relating to the "aree di prelievo"** – as per ARERA's proposal in the first Consultation. This would avoid administrative complexities, as expressed by ARERA in the previous DCO (424/23) in points 2.22 and 4.2, and prevent end customers from seeking compensation from shippers, regardless of the net position of the shippers themselves, due to lower tariffs at exit points. In this sense **ARERA should explicitly clarify**, in the final resolution, **that the tariff recalculation is exclusively instrumental for determining the net position of each shipper, and not for a retroactive application of these tariffs**. A way to strengthen this idea could be to establish that the compensation will be made directly by CSEA and not through the TSO.
2. Furthermore, regarding the period to be taken into account for determining the net position, we recommend applying the mechanism for **at least each of the two different regulatory period** (2014-2017 and 2018-2019), considering that they were subject to two different rulings. Additionally, since ARERA itself proposed to exclude the 2014 recalculated entry tariffs, opening to a single-year approach, we also find it **appropriate to apply this mechanism to every single year within the periods 2014-2017 and 2018-2019**.
3. Concerning the diameter, **we consider appropriate the reintegration of the diameter driver then in force**, as it brings to tariffs more in line with the judgments, as indicated in the paragraph 3.18, reducing the penalizations for importers from the South. Nonetheless, in order to thoroughly verify the potential impact on the system, we also consider appropriate that the new values are published for further evaluation.

4. Regarding the tariff methodology, we find it suitable, given the complexity of the topic, to **resort to the counterfactual scenario in order to compare with the proposed tariffs** – as we also stated in our previous response to DCO 424/23.
5. **With respect to the amount collection**, we believe that the application of an already existing variable tariff – such as the **CVFC – is the best option**, considering the limited impact in term of complexity for its management and implementation in the operating systems.
6. Finally, we believe that shippers should not be further burdened by any **obligation to carry out the calculation of their net position**. Rather, this should be a prerogative of TSO, which should be in possession of all the relevant data stored. In any case, it would be advisable to define the methodology to calculate and verify the net position.

We remain at your disposal should you wish to further discuss these matters.

Contact

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