

Austrian Gas Network Tariffs: Pricing Pressure on Cross-Border Flows

Brussels, 06 May 2026 – Energy Traders Europe welcomes the opportunity to comment on E-Controls consultation on gas network utilisation tariffs (Gas-Systemnutzungsentgelte-Verordnung). While we recognise that the proposed tariff adjustments are based on the established reference price methodology under NC TAR, the resulting tariff levels raise concerns from a network user perspective; particularly since some of the previously considered flexibilities to manage stranded capacity have not been implemented. Please find our comments detailed out below.

Key messages

- 1. Interaction between declining volumes and tariff methodology risks worsening tariff spiralling.**
Following the significant spikes in tariff levels, particularly over the past two years, further increases can only reinforce a cycle of declining utilisation fuelling higher costs per unit.
- 2. Limited transparency on tariff composition and cost drivers.**
The consultation does not sufficiently explain the drivers behind tariff increases, particularly the increasing share of commodity-based charges.
- 3. The delay of the reshuffling service** to move capacities between the two Austrian networks is a painful disappointment to the network users and a missed opportunity to aid companies struggling with the spikes in tariff levels over the past years. Moreover, we would also welcome the extension of the capacity bundling service to include capacity purchased post-2017 and that purchased on secondary markets.

Detailed comments

The consultation highlights a sustained decline in transported volumes in the Austrian gas transmission system, **indicating a structural rather than temporary system change**. Within the current transmission system cost recovery framework lower volumes translate into higher unit tariffs. While this ensures revenue adequacy, it also shifts an increasing share of fixed system costs onto a shrinking group of network users.

For traders, transport costs are a key input into capacity booking strategies, and high, unstable Austrian tariffs reduce the competitiveness of the Austrian corridor relative to alternative cross-border routes. While the consultation acknowledges continued downward pressure on volumes, **it does not clearly explain how the interaction between**

declining utilisation and tariff formation is addressed within the current framework or how it is expected to be managed going forward.

A related concern to the amended tariff decision is the limited transparency around tariff composition, in particular the increasing share of commodity-based charges. While the consultation refers to declining volumes, inflation, and cost developments as drivers, it does not clearly explain how these factors translate into the observed increase in commodity charges, particularly in view of materially lower gas price levels and reduced volatility compared with the 2022 crisis peak. Lower volatility typically reduces balancing pressure and operational risk for transmission system operators, which raises questions about the underlying justification for an increased reliance on commodity-based cost recovery. Without a clearer methodological explanation, it is difficult for market participants to assess the predictability and efficiency of price signals under NC TAR.

Finally, we were surprised to see that there was **little reference to the measures taken to alleviate the increasing pressure of tariffs on network users and consumers**. This includes, in particular, the non-extension of the reshuffling mechanism to allow transfer between the two transmission networks, which we have asked for previously and understood to be feasible. We also struggle to understand how this and the aforementioned tariff increases, coincides with the recently announced remarkably high contribution of TAG into Snam's financial results.

Proposal

In light of the above, we encourage E-Control to consider whether the current tariff design remains robust in view of declining volumes, further fuelled by consecutive tariff increases. In particular:

- **Greater transparency on tariff composition** would improve regulatory clarity, especially regarding the capacity-commodity split and the rationale for any observed shifts.
- **Smoothing mechanisms** could be further developed to reduce the volatility of tariff adjustments and avoid abrupt increases driven by short-term volume changes.
- **Expansion of flexibility tools**, such as reshuffling mechanisms across the entire Austrian gas network, could help limiting stranded bookings and support more efficient infrastructure utilisation. Moreover, we would also welcome the extension of the capacity bundling service to include capacity purchased post-2017 and that purchased on secondary markets.

CONSULTATION RESPONSE



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