

Public Consultation on the Amendments to the Common Regulations for the Natural Gas Balancing of Transmission System

Summary of the public consultation

The purpose of this consultation document, developed by the Latvian gas transmission system operator JSC “Conexus Baltic Grid” and Estonian gas transmission system operator Elering AS (hereinafter separately referred to as TSO or jointly – TSOs), is to inform and ascertain the opinion of public regarding the proposed draft amendments to the “Common Regulations for the Natural Gas Balancing of Transmission System” (hereinafter – the Regulation), as coordinated by and between the Public Utilities Commission of Latvia (Decision No. 186 of September 29, 2022), and Estonian Competition Authority (Decision No. 7-29/2022-001 of September 30, 2022) (hereinafter – draft Amendments).

Main purpose of the draft Amendments is to supplement the regulations with proposals from EUROPEAN ENERGY EXCHANGE AG, which will take over the trading platform operations in the common balancing zone.

The draft Amendments are intended to enter into force 30 days after coordinated approval by the Public Utilities Commission of Latvia and Estonian Competition Authority. Until the date of entry into force of the draft Amendments, the Decision No. 186 of September 29, 2022 of the Public Utilities Commission of Latvia, and the Decision No. 7-29/2022-001, September 30, 2022 of the Estonian Competition Authority shall apply.

Please submit your proposals, questions and comments on the draft Amendments (in English) till July 2, 2025 by sending them (electronically) to the TSOs e-mail addresses: JSC “Conexus Baltic Grid” (capacity@conexus.lv) or Elering AS (Liis.Horak@elering.ee).

Essence and justification of draft Amendments

1. Main amendments to the Regulations:

1.1. Implement the requirements of Regulation 2024/1789 in order to facilitate the participation of renewable gas and low-carbon gas on the wholesale market

In 2024, the European Union adopted Regulation (EU) 2024/1789 of the European Parliament and of the Council, which entered into force on February 5, 2025. Regulation 2024/1789 stipulates that gas produced from renewable energy sources connected to the distribution network must have access to the virtual trading point. Furthermore, the balancing zone must include distribution networks, and the transfer of gas between balancing managers must occur at the virtual trading point (Article 3d).

To clearly define the rules for renewable and low-carbon gas access to the virtual trading point, even when injected into the distribution system, Elering and Conexus propose to implement a

corresponding amendment in subsection 1.2.1. This amendment will explicitly specify that the Regulation applies to both gas transmission systems and distribution systems connected to the transmission system within the territories of the Republic of Estonia and the Republic of Latvia.

1.2. Activities within the virtual trading point

Operations at the virtual trading point, including and specifying the activities of the central intermediary in the transaction process.

Taking into account the termination of UAB GET Baltic's activities and the fact that from 9 September 2025, EUROPEAN ENERGY EXCHANGE AG (hereinafter – EEX) will take over the organisation of the gas market trading platform in the common balancing zone and the Finnish-Baltic region, and taking into account that transactions on the trading platform will be carried out through a central counterparty, the overall process will change, with all activities being negotiated.

1.3. Confidentiality

Supplemented confidentiality provisions, establishing the rights of transmission system operators to request information from system users, and the use and monitoring of information. The additions are intended to ensure that all activities in the gas market are carried out in accordance with this Regulation and applicable legislation, and that all information is used only for monitoring purposes.

1.4. Rules for securing fulfilment of contractual obligations

Clarification of the condition regarding the amount of the performance bond, increasing it to EUR 30,000. Based on the fact that Latvia and Estonia are in the same balancing zone and Estonian legislation stipulates that the collateral amount must be at least EUR 30,000, the collateral amount is harmonized in the Regulations.