



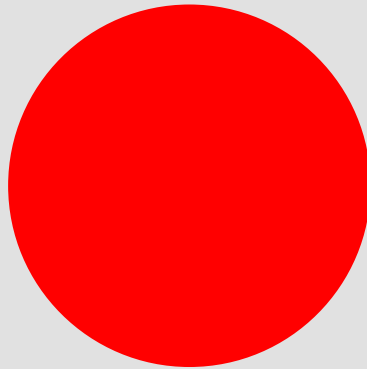
Amendments to Inčukalns UGS regulation Storage capacity auction process 2025

conexus
B A L T I C G R I D

January 28, 2025
Jānis Akmens
Kaspars Skrābāns
Commercial division

AGENDA

EVENT WILL BE RECORDED



- Amendments to Inčukalns UGS regulation
- CO2 emission allowances
- Deadlines 2025
- Information publication
- Auction calendar 2025
- Available capacity
- Authorizations
- Offer submission
- Passwords
- Allocations

<https://www.conexus.lv/presentations>

Storage products for booking for the cycle 2025/2026

STORAGE PRODUCTS	BCP 2YP 24/25 25/26	BCP 1YP 25/26 (new)	BCP 5YP 25/30 (new)	Interruptible 25/26 (new)	INTP 25/26 (new)
START DATE	01.05.2024.	01.05.2025.	01.05.2025.	01.05.2025.	01.05.2025.
END DATE	30.04.2026.	30.04.2026.	30.04.2030.	30.04.2026.	30.04.2026.
PRODUCT EXPIRY	April 30, 2026	-	-	-	April 30, 2027
TRANSFER OF STOCKS BETWEEN PRODUCTS	BCP 1YP BCP 2YP BCP 5YP	BCP 1YP BCP 2YP BCP 5YP	BCP 1YP BCP 2YP BCP 5YP	Interruptible product	INTP
PRODUCT PRICE	Tariff + Premium	Tariff + Premium	The auction cost	Tariff + Premium	Tariff
AUCTION PREMIUM	for 24 Months	for 12 Months	-	for 12 Months	-
TARIFF FOR 2025/2026 STORAGE CYCLE	0.9308 EUR/MWh storage cycle	0.8761 EUR/MWh storage cycle	min 1.7322 EUR/MWh storage cycle	0.6981 EUR/MWh storage cycle	4.1246 EUR/MWh storage cycle

Stock transfer of Storage Products (I)

STORAGE PRODUCTS	BCP 1YP 24/25 (old)	INTP 24/25 (old)	BCP 2YP 23/24 24/25 (old)	BCP 2YP 24/25 25/26
START DATE	01.05.2024.	01.05.2024.	01.05.2023.	01.05.2024.
END DATE	30.04.2025.	30.04.2025.	30.04.2025.	30.04.2026.
PRODUCT EXPIRY	-	-	-	April 30, 2026

**STOCK TRANSFER
IN THE END OF
CYCLE
2024/2025**

- 1) Default: INTP(Paragraph 82.18)
- 2) To any booked product for next season

**In the existing
BCP 2YP**

**STOCK TRANSFER
IN THE END OF
CYCLE
2025/2026**

- 1) Default: INTP
(Paragraph 82.18)
- 2) To any booked product
for next season

Stock transfer of Storage Products (II)

STORAGE PRODUCTS	BCP 1YP 25/26 (new)	Interruptible 25/26 (new)	INTP 25/26 (new)	BCP 5YP 25/30 (new)
START DATE	01.05.2025.	01.05.2025.	01.05.2025.	01.05.2025.
END DATE	30.04.2026.	30.04.2026.	30.04.2026.	30.04.2030.
PRODUCT EXPIRY	-	-	April 30, 2027	-

**STOCK TRANSFER
IN THE END OF
CYCLE
2024/2025**

From any previous
season product for
transfer fee

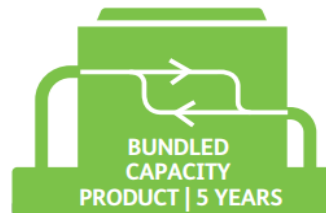
1. Up to 50% without stock transfer fee from any product
2. Above 50% for stock transfer fee from any product

**STOCK TRANSFER
AT EXPIRY OF
PRODUCT**

1. To any other products according to the conditions of the product to which the stocks are transferred
2. Have to remove gas from the storage if product has not be booked to next cycle

Amendments To Regulation – 5 Year Bundled Capacity Product

NATURAL GAS STORAGE SERVICE IN THE INČUKALNS UNDERGROUND GAS STORAGE



● Storage of gas in the facility:	Included
● Injection and withdrawal of the stored amount of natural gas:	Unlimited amount
● Virtual reverse-flow*:	Included (unlimited)
● Priority:	Priority in congestion of capacity
● Transfer of stocks in storage:	Within a bundled capacity product, a two-year bundled capacity product and five-year capacity product
● End-of-cycle stock:	50% of the 5-year product capacity can be transferred from any product free of charge, above 50% for a stock transfer fee
● Price:	Fee resulting from the auction

* VIRTUAL COUNTERFLOW CAPACITY
Virtual storage injection or withdrawal capacity published by Operator

- The starting price for the capacity product auction shall be determined by the system operator on the basis of an assessment of the long-term operating costs of the storage.
- Max available capacity approx. 10 TWh
- 50% of the 5-year product capacity can be transferred from any product free of charge, above 50% for a stock transfer fee
- Stock transfer fee is set in the auction regulation for all 5 years period
- Minimum Bid cost for Capacity product is EUR 1.7322 MWh/storage cycle.
- Fee as set in the auction for each cycle (EUR/MWh/storage cycle)
- If the system user does not have a storage capacity product booked for the next storage cycle, the system user shall be obliged to remove gas from the storage facility.

Amendments To Regulation – Stock Transfer BCP 5YP

Example EEX price 24.01.2025

Year	Season	Settlement price EUR/MWh	Winter / Summer spread EUR/MWh
2025	Summer	49.787	
2025	Winter	44.693	-5.09
2026	Summer	38.357	
2026	Winter	36.595	-1.76
2027	Summer	30.044	
2027	Winter	30.298	0.25
2028	Summer	25.293	
2028	Winter	25.665	0.37
		Average	-1.56

eex Markets Market Data Trading Resources

displayed. Please note that we only provide trading prices, volumes and open interest for EEX Platts JKM LNG Natural Gas Futures.

EEX TTF NATURAL GAS FUTURES

2025-01-24 [Calendar Icon] Year Season Quarter Month

Future	Last Price	Last Volume	Settlement Price	Volume Exchange
Sum-25	50.050	4,392	49.787	663,192
Win-25	44.700	17,472	44.693	48,048
Sum-26	38.245	4,392	38.357	8,784
Win-26	36.175	4,368	36.595	74,256
Sum-27	-	0	30.044	0
Win-27	-	21,960	30.298	241,560
Sum-28	-	0	25.293	0
Win-28	-	0	25.665	0

- 1) 1,00 EUR per MWh of the stock balance to be carried over;
- 2) 0,75 times the arithmetic average of the EEX Natural Gas Futures TTF Settlement price difference of the four next winter/summer price spread per MWh of the storage balance to be carried over

<https://www.eex.com/en/market-data/market-data-hub/natural-gas/futures#%7B%22snippetpicker%22%3A%22292%22%7D>

Amendments To Regulation – Stock Transfer fee BCP 1YP

Example EEX price 24.01.2025

Year	Season	Settlement price EUR/MWh	Winter / Summer spread EUR/MWh
2025	Summer	49.787	
2025	Winter	44.693	-5.094

1) 2,00 EUR per MWh of the stock balance to be carried over;

2) 1,25 times the EEX Natural Gas Futures TTF Settlement price difference of the next winter/summer price spread per MWh of the storage balance to be carried over.

The screenshot shows the EEX website interface. At the top, there are navigation links for 'eex', 'Markets', 'Market Data', and 'Trading Resources'. Below this, a disclaimer states: 'Displayed. Please note that we only provide trading prices, volumes and open interest for EEX Platts JKM LNG Natural Gas Futures.' The main content area is titled 'EEX TTF NATURAL GAS FUTURES'. There is a date filter set to '2025-01-24' and a calendar icon. Below the filter, there are tabs for 'Year', 'Season', 'Quarter', and 'Month'. The main data table has the following columns: 'Future', 'Last Price', 'Last Volume', 'Settlement Price', and 'Volume Exchange'. The 'Settlement Price' column is highlighted with a red box. The data rows are as follows:

Future	Last Price	Last Volume	Settlement Price	Volume Exchange
Sum-25	50.050	4,392	49.787	663,192
Win-25	44.700	17,472	44.693	48,048
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Win-27	-	21,960	30.298	241,560
Sum-28	-	0	25.293	0
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<https://www.eex.com/en/market-data/market-data-hub/natural-gas/futures#%7B%22snippetpicker%22%3A%22292%22%7D>

PURCHASE OF CO2 EMISSION ALLOWANCES

- Conexus is settling CO2 emissions from its operations
- According to current estimates, in 2027 the stock of CO2 allowances will run out.
- System user shall bear the cost of CO2 allowances corresponding to the fuel gas consumption.
- Conexus will inform the system users about the procedure for settlement of CO2 emissions resulting from the system user's service - storage and withdrawal of natural gas from Inčukalns UGS.

Indicative calculation:

- **CO2** emission factor is **0.2 Tonnes/MWh**.
- The price of **1 CO2** emission allowance is currently around **EUR 80/ tonne**.
- injecting 1 MWh into Inčukalns UGS, approximately 0.00234 tones of CO2 are emitted, at a cost of **EUR 0.187/MWh**.

Change of NOMINATION point for storage injection/withdrawal

- Current point Virtual Trading Point (VTP)
- From 01.05.2025 nominations will be processed through **Incukalns UGS point**
- More information will follow during April

DEADLINES 2025

- January 10 Auction calendar publication, published on January 10, 2025
- February 4 1st auction regulation publication
- February 11 1st auction 5-year BCP
- February 27 1st auction BCP
- -----
- April 30 End of withdrawal season
- May 1 Start of injection season
- May 21 Technical capacity publication for 2025
- May 6 Last 5-year BCP auction
- June 5 Last BCP auction
- June 19 1st ICP auction
- September 25 Last ICP auction
- October 14 End of injection season
- October 15 Start of withdrawal season
- November 4 Technical capacity forecast publication for 2026

YEAR 2025 AUCTIONS



COMMON NATURAL GAS MARKET

The common zone platform

System Users

Presentations

SERVICES

Transmission

Storage

REMIT reporting service

Solidarity storage service

EIC LIO

TARIFFS

Transmission

Storage

TRANSMISSION

Natural gas parameters

Capacity product booking

Transmission data

Maintenance works and capacity interruptions

Implicit capacity allocation

Matching procedures and technical information

BALANCING

Balancing prices

Balancing actions

MSP and MBP incentive factors

What is neutrality charge?

Neutrality charge calculation

All system users imbalance position

Balancing historical data

Procedure and requirements for the prevention of negative imbalance

STORAGE

Incukalns UGS storage cycle data

Inčukalns UGS schedule

Fuel gas consumption

Auctions

GENERAL INFORMATION

Definitions

Customs Information

Questions and answers

TRANSPARENCY

Conexus transparency map

Urgent Market Messages (UMM)

Demand assessment report for incremental capacity

YEAR 2025 AUCTIONS



MAIN PAGE > FOR SYSTEM USERS > STORAGE >

Year 2025 Inčukalns UGS capacity auctions

Inčukalns underground gas storage capacity product auction **calendar** 2025 is available [HERE](#)

Bundled capacity product standard auction regulation is available [HERE](#)

Five year bundled capacity product standard auction regulation is available [HERE](#)

Information to be updated.

Auction date	Auction ID	Status Y / N / Ended	Capacity available for booking MWh	Auction regulation, link	Offer sheet, link	Total requested amount of storage capacity MWh	Total allocated amount of storage capacity MWh	Applicable premium EUR/MWh w/o VAT
Five year bundled capacity product								
11.02.2025	IPGK5YP/2025/1							
25.02.2025	IPGK5YP/2025/2							
11.03.2025	IPGK5YP/2025/3							
Bundled capacity product								
27.02.2025	IPGK1YP/2025/1							
13.03.2025	IPGK1YP/2025/2							
27.03.2025	IPGK1YP/2025/3							

Common Natural Gas Market ▾

Services ▾

Tariffs ▾

Transmission ▾

Balancing ▾

Storage ▾

Inčukalns UGS storage cycle data

Inčukalns UGS schedule

Fuel gas consumption

Auctions

General information ▾

Transparency ▾

AUCTION CALENDAR 2025

Five year bundled capacity product:

Tuesday, 11 February 2025
Tuesday, 25 February 2025
Tuesday, 11 March 2025
Tuesday, 25 March 2025
Tuesday, 8 April 2025
Tuesday, 22 April 2025
Tuesday, 6 May 2025

Bundled capacity product:

Thursday, 27 February 2025
Thursday, 13 March 2025
Thursday, 27 March 2025
Thursday, 10 April 2025
Thursday, 24 April 2025
Thursday, 8 May 2025 *
Thursday, 22 May 2025
Thursday, 5 June 2025

Interruptible capacity product:

Thursday, 19 June 2025
Thursday, 3 July 2025
Thursday, 17 July 2025
Thursday, 31 July 2025
Thursday, 14 August 2025
Thursday, 28 August 2025
Thursday, 11 September 2025
Thursday, 25 September 2025

* in case if storage capacity of 1 000 000 000 kWh has not been auctioned as a bundled capacity product by the publication of the regulations of the bundled capacity auction on May 8, respective amount of capacity will be offered in the bundled capacity product auction on 8 May to reach the storage capacity of Inčukalns Underground Gas Storage Facility as specified in Article 82.²¹ of the Regulations Regarding the Use of Inčukalns Underground Gas Storage Facility.

AVAILABLE CAPACITY FOR AUCTION

- Before the end of current cycle – subtracting from Technical Capacity 24,679 TWh
 - 2-year BCP 4,0 TWh from prior cycle
 - Solidarity product and energy supply security reserve
 - Storage inventory on publishing day
 - Possible injection before April 30 (51 GWh/day)= Available Capacity for Auction
- After the end of current cycle
 - Updated (no later than 21.05.2025) Technical Capacity
 - - Booked Capacity at prior Auctions
- Storage regulation – auction takes place if available capacity is at least 5% from technical capacity (1,234 TWh)

<https://www.conexus.lv/incukalns-ugs-storage-cycle-data>

OFFER SUBMISSION

- Upload to IT Platform no later than 11:00 Latvian time on Auction day
 - **11:00 Latvian** time = Finland, Estonia, Lithuania (10:00 Poland, Germany, Denmark, Switzerland, Norway, etc)
 - Offer can be submitted any time but it does not give any benefits
- Offers received after this time will not be accepted
- Minimum bid size - 1 MWh
- Maximum each bid size for Auction – published on <https://www.conexus.lv/storage-capacity-auctions>
- One Offer sheet with one upload
- Fixed or variable
- Many offers can be submitted but last one will be evaluated
- Minimum Bid price for
 - BCP = 0.00 EUR/MWh w/o VAT
 - 5y BCP = 1.7322* EUR/MWh/Storage cycle w/o/ VAT
 - * Bid to be submitted exactly 1.7322 or with 2 decimals

OFFER SHEET

	A	B	C	D	E	F
1						
2						Year 2025/2026 Storage Cycle
3						Five year bundled capacity product Auction Regulation
4						(ID. No. Conexus Baltic Grid IPGK5YP/2025/1)
5						Auction Offer Sheet (OFFER)
6						Five year bundled capacity product auction (id. No. Conexus Baltic Grid IPGK5YP/2025/1)
7						
8	Date of submission					
9						
10	The auction participant:					
11		EIC code:				
12		Legal address:				
13		Phone number:				
14		Email address:				
15						
16	We are hereby submitting our offer for the auction of year 2025/2026 storage cycle five year bundled capacity product ("Auction") under the following conditions:					
17	Name of Auction participant	Price bid No.	Five year bundled capacity product amount ** (MWh)	Five year bundled capacity product amount *		Price (EUR/MWh) w/o VAT ***
18				Fixed	Variable	
19						
20						
21						
22						
23	Note:					
24	<i>If the Auction Participant has chosen to submit several bids, the Auction Participant shall complete several bid boxes.</i>					
25	<i>* for each bid, it shall be indicated whether the amount of the five year bundled capacity product indicated therein is fixed or variable, marked with ✓ in the corresponding column.</i>					
26	<i>** The amount of the five year bundled capacity product shall be indicated rounded to an integer.</i>					
27	<i>*** The bid price shall be indicated to two decimals.</i>					

.xls or .ods offer sheet must be password protected

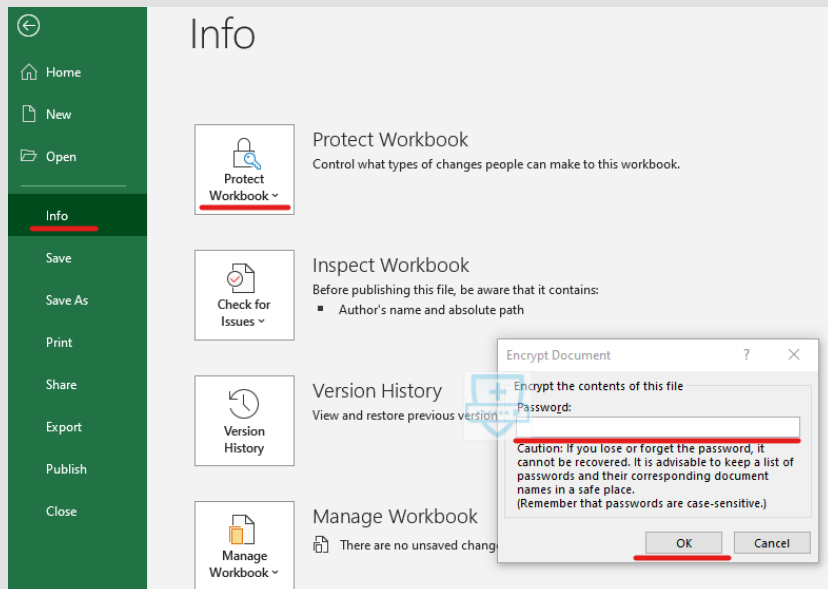
Password sent in separate email to auction@conexus.lv from 11:00 to 12:00 (Latvian time)

Unlimited number of bids (rows in Auction Offer Sheet)

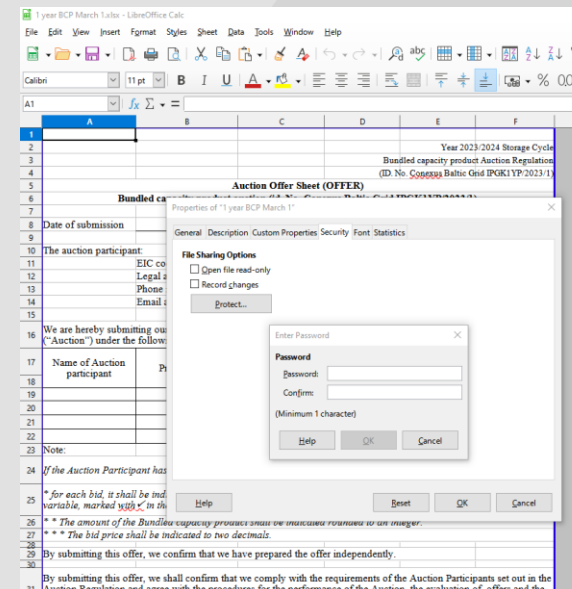
File name example: **Participant name 5 year BCP Feb 11**

PASSWORDS

- Auction Offer sheet (.xls or .osd) shall be protected with password!
- No requirements for the strength of password
- Send password to auction@conexus.lv on Auction day 11:00 – 12:00 Latvian time, 10:00 – 11:00 CET
- Conexus confirms receipt immediately, but not later than 12:10 same day Latvian time, 11:10 CET
- Password received outside this time will not be accepted
- Offer will not be considered if the Offer is not protected by password, password is incorrect, not submitted or the offer cannot be opened



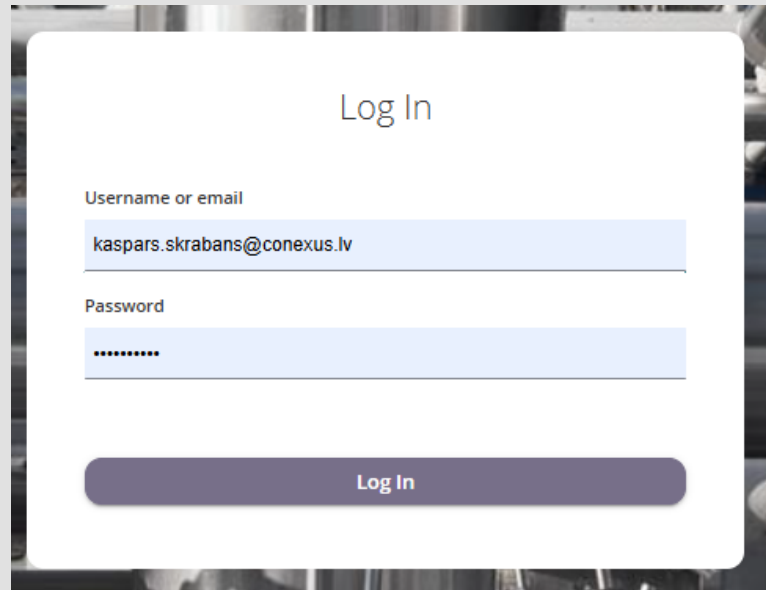
File / Info / Protect workbook / Encrypt document



File / Properties / Security / Protect

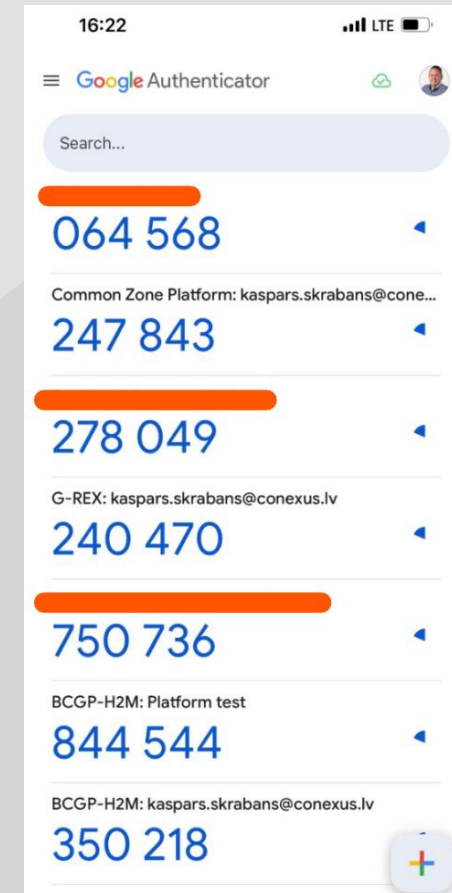
ACCESS TO IT PLATFORM

- Auction offers can be submitted by uploading Offer sheet to the IT Platform persons according to provided information by each system user
- Access to IT Platform must be confirmed (signed) by authorised person (CEO, MOB, Holder of POA, etc)
- 2 factor verification:
 - Username & Password
 - Google Authenticator






The screenshot shows a web login form with the following fields and elements:

- Title:** Log In
- Username or email:** kaspars.skrabans@conexus.lv
- Password:** [Redacted with dots]
- Button:** Log In



OFFER UPLOAD

Administration / Document Store / New

TEST ENVIRONMENT | **conexus elering** | Daily Overview Capacity Nomination Settlement Storage Administration | kaspars.skrabans@conexus.lv (KASSKR) ? 20.02.2023 14:19   

Administration / Document Store

Created after * 20.01.2023 | Created before * 20.02.2023 | Issuer All | Recipient All | [Search](#) [Reset](#)

Document Store | [New](#) [Modify](#) [Details](#) [Export](#)

Created at (EET/EEST) ↑	Issuer	Issuer EIC	Recipient	Recipient EIC	Subject	Message	Attachment
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Message Log
Document Store

Recipient - Conexus Baltic Grid AS [21X000000001379R]

OFFER UPLOAD

TEST ENVIRONMENT conexus elering | Daily Overview Capacity Nomination Settlement Storage Administration | kaspars.skrabans@conexus.lv (KASSKR) 20.02.2023 14:14

Administration / Document Store

Created after * 20.01.2023 | Created before * 20.02.2023 | Issuer All | Recipient All | Search | Reset

Document Store

Created at (EET/EEST) ↑ | Issuer | Is

New | Modify | Details | Export

Message | Attachment

Create Message

Recipient *
AS "Conexus Baltic Grid" (21X000000001379R)

Subject *
1 year BCP offer

Message

Attach | Delete

Filename	Created at(EET/EEST) ↓	Attachment
No Rows Data		

0 to 0 of 0 | < > Page 0 of 0 | > >|

Submit | Cancel

ALLOCATIONS – PAY AS CLEARED

Maximum available capacity	2000
----------------------------	-------------

Example
Dummy numbers

User	Bid amount	Price
1	100	1.00
2	200	0.50
3	100	1.50
4	600	2.00
5	1000	0.20
6	50	1.20
Total	2050	

User	Bid amount	Prices sorted largest to smallest	Cumulative bid amount
4	600	2.00	600
3	100	1.50	700
6	50	1.20	750
1	100	1.00	850
2	200	0.50	1050
5	1000	0.20	2050
Total	2050		

User	Allocations	Price pay-as-cleared
4	600	0.20
3	100	0.20
6	50	0.20
1	100	0.20
2	200	0.20
5	950	0.20
Total	2000	

Price (premium) is fee on top of the tariff approved by PUC for BCP and fee on top of min bid cost for 5yBCP

Minimum price –
0.00 EUR/MWh BCP
1.7322 EUR/MWh BCP5Y

Minimum bid size – 1 MWh

If amount is fixed and it must be confirmed less than in bid then it shall be excluded from calculation and following bid will be included in calculation

If there are 2 identical closing bids that must be reduced, then it is done proportionally



THANK YOU!
capacity@conexus.lv
auction@conexus.lv