

10:00	-	10:10	CEO's greetings
			Zane Kotāne, Chair of the Board
10:10	-	10:30	Storage Regulation 2020 - 2021
			Kaspars Skrābāns, Deputy head of commercial department
10:30	-	10:50	Balancing and neutrality charge
			Mārcis Vārpa, Head of Common market zone
10:50	-	11:10	Baltic market overview 2020
			Jānis Eisaks, Head of Corporate Strategy division
11:10	-	11:30	Transmission and Storage tariffs 2020/2021
			Mārtiņš Gode, Member of the Board
11:30	-	11:50	Common market area IT solution. Current status and next steps.
			Jānis Vilims, Head of IT Department
11:50	-	12:10	Questions and answers

INČUKALNS UNDERGROUND GAS STORAGE REGULATION 2020

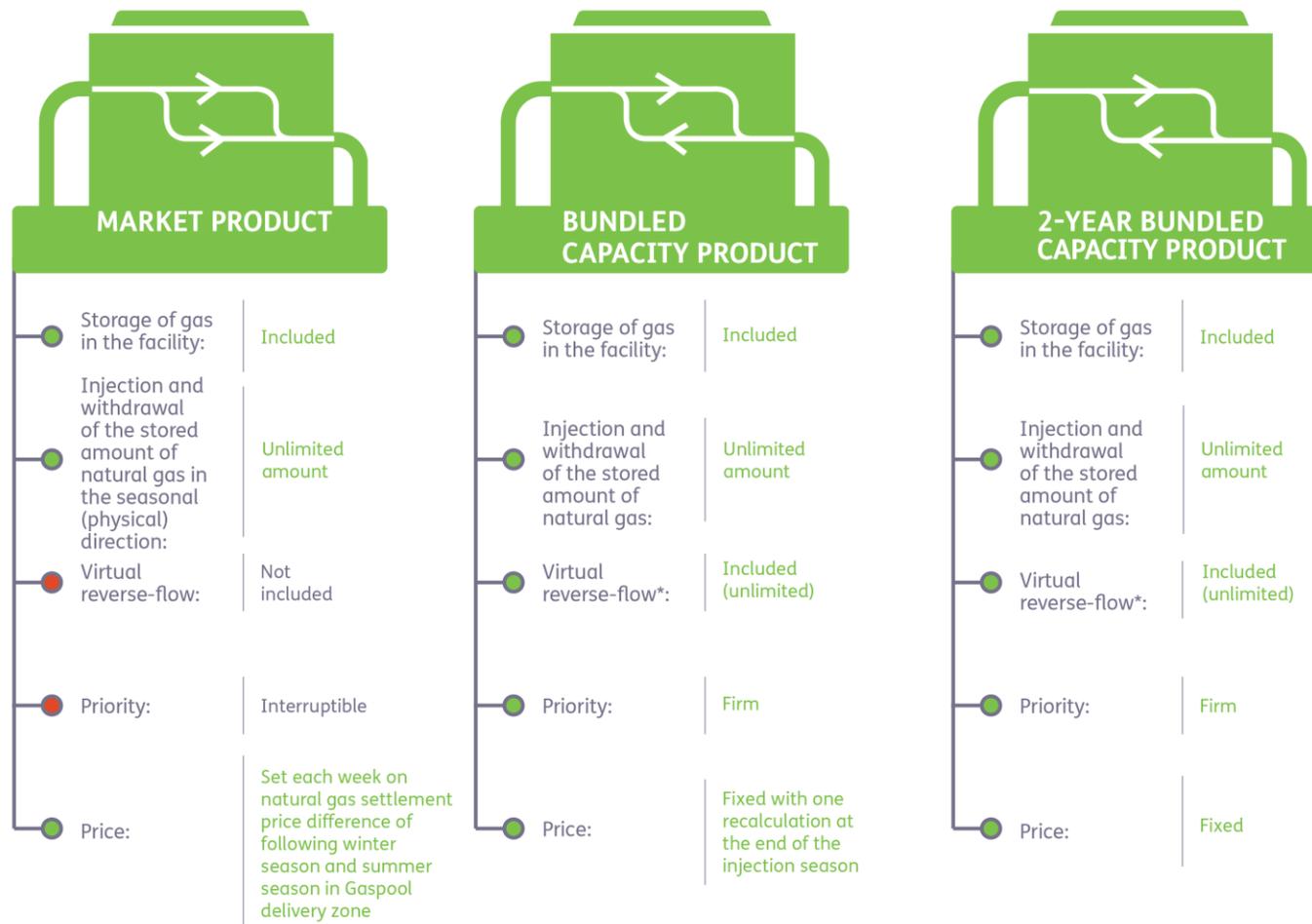
RIGA, 31-03-2020

KASPARS SKRĀBĀNS, COMMERCIAL DIVISION

NATURAL GAS STORAGE SERVICES IN THE INČUKALNS UNDERGROUND GAS STORAGE

STORAGE

STORAGE SERVICES FOR 2020/2021 STORAGE CYCLE

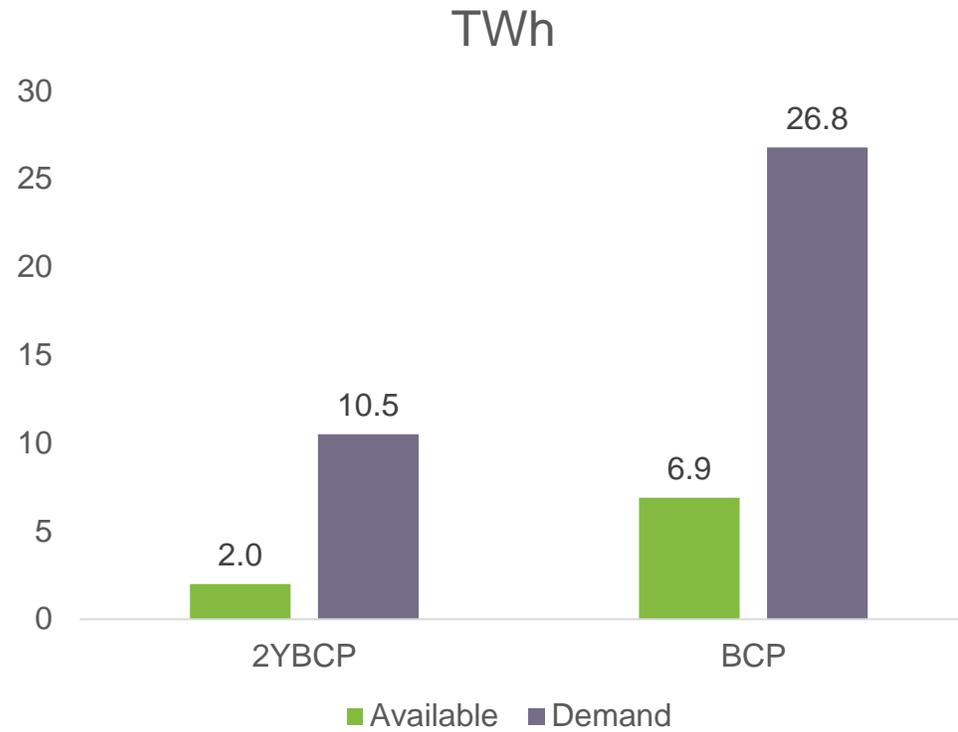


* VIRTUAL REVERSE-FLOW:

Gas transportation in the opposite direction to the seasonal direction of the storage facility.

STORAGE

DEMAND 2020/2021



REGULATION

KEY CHANGES 2020

- Publication of storage information
- Storage capacity booking
- Inventory transfer product
- Two-year bundled capacity product
- Arrangements for the use of capacity products
- Congestion management

REGULATION

PUBLICATION OF STORAGE INFORMATION

October	November	December	January	February	March
14. End of injection season	< 4 Forecasted technical capacity for next season, including Capacity for bundled and 2 year bundled products				March 16 2020 March 17 2020
15. Start of withdrawal season					Information about available capacity 1st round of storage capacity booking
April	May	June	July	August	September
30. End of withdrawal season	1. Start of injection season				
	21. Publishes technical capacity of the storage and available capacity of the storage for the next storage cycle 2nd round of storage capacity booking				
March - September					
Publish the estimated storage capacity available for the next storage cycle. Every day before 13.00 publish estimate of available capacity of storage for the next storage cycle					

REGULATION

PUBLICATION OF STORAGE INFORMATION

- Operator has to publish every day before 13:00 (kWh):
 - Technical capacity
 - Gas in the storage
 - Available capacity for booking:
 - Bundled product
 - Market product
 - 2 year bundled product
 - Unused capacity
 - Counter flow capacity in day
 - Max capacity to inject or withdraw in day

REGULATION

PUBLICATION OF STORAGE INFORMATION

Storage capacity

- Dynamic rather static (24 TWh as in existing regulation)
 - Max storage capacity 2020 20.4 TWh
 - Two year bundled capacity 2019/2020 -3.2 TWh
 - Two year bundled capacity 2020/2021 -2.0 TWh
 - One year bundled capacity 2020 -6.9 TWh
 - **Transfer from current year -X.X TWh**
-
- Final values for 2020 / 2021 TBA no later than May 21, 2020

REGULATION

STORAGE CAPACITY BOOKING

- Announcement to start booking – 1 day in advance in web site
- To assure equal conditions to all participants in situation when demand for storage service exceeds available capacity
- Separate submission for 2 year bundled capacity product – max 2 TWh
- Pro-rata principle applies
 - 2 year bundled product capacity subtracted from total available capacity
- Submissions are collected from 9:00 AM to 9:00 AM day after
- Available capacity is published every day before 13:00, not possible to book
- 2nd booking after May 21 when storage final capacity is measured
- Information to market 1 day before

REGULATION

STORAGE CAPACITY BOOKING

If user do not want to have capacity recalculated by pro rata principle

- Operator informs user in 1h on reduced capacity
- Take it or leave it
- User shall confirm or reject reduced capacity in 30 min
- Free capacity is available for rebooking same day

REGULATION

INVENTORY TRANSFER PRODUCT

- To de-motivate market to roll over inventory from season to season in order to minimize adverse effects to storage technical parameters
 - 2YBCP (2nd year) -> inventory transfer product
 - MP -> inventory transfer product
 - 1YBCP <5% -> 1YBCP
 - 1YBCP >5% -> inventory transfer product
- Interruptible, counterflow charged
- Tariff = TBD
- Applicable from season 2021 / 2022

REGULATION

CAPACITY PRODUCTS

- Two year bundled capacity product
 - Separated from one year bundled capacity product
 - Max capacity to book for 2020/2021 cycle 2 TWh
- Transfer within product – limited to same product type: bundled and non-bundled
- Applies also for transfer between system users



CONGESTION MANAGEMENT

- If congestion is identified after 15:00 in prior day:
 - First comes first served

Example (available capacity 800 units)

User	Unused capacity %	Nomination D-1 15:00	Confirmed nomination	Renomination D 3:00	Confirmed renomination
A	50	500	500		500
B	30	500	300		300
C	20	0	0	200	0
	100	1000	800	200	800

The background of the image shows a blurred industrial setting with various mechanical components, pipes, and machinery in shades of grey, red, and yellow. The text is overlaid on this background.

**THANK YOU FOR
ATTENTION**

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