

Milano, August 31st, 2012

Prot. 4959/2012 DIGE

**Energie Control Austria für die
Regulierung der Elektrizitäts –
und Erdgaswirtschaft
(E-Control)**

Rudolfsplatz 13a
1010 Wien
Austria

e p.c. **Autorità per l'energia elettrica
e il gas**

Piazza Cavour, 5
20121 Milano
Italy

**Subject: Anigas' comments on Market Consultation on the Draft of
the Gas System Charges Ordinance 2013 (GSNE-VO 2013)**

Premise – Introducing Anigas

Anigas, the Italian National Association of the Gas Industry, represents all the companies engaged in any one or more of the following activities: storage, transportation, distribution, sale of natural gas on the consumer market, wholesale, trading and regasification of liquefied natural gas.

The association was founded in 1946 and has, since then, been a member of Confindustria (Confederazione Generale dell'Industria Italiana). Since its inception, the main objective has been to protect and support the interests of member companies, conduct labor union activities, promote and foster understanding and create consensus on economic aspects.

Roughly 70 companies are represented within Anigas, which has a workforce of 13,800 employees. Among the members are the largest industry players, as well as small and medium-sized companies, which together represent more than 60% of the Italian gas market.

Member companies distribute over 50 billion cubic meters of gas each year for public use, small crafts, commercial and industrial applications.

The same member companies, that serve 12 million customers throughout Italy, are present in more than 4,000 municipalities both large and small, including several provincial capitals.

Comments

With reference to the consultation draft GSNE-VO 2013 issued by E-Control and with particular reference to a new model of charges of the gas system, Anigas is pleased to send its comments and observations.

In the first place we deem it necessary to point out that, in the face of the highly significant subject treated in the document that describes a new model of Austrian market, the available time for operators to provide their comments and proposals is too small. In addition, the consultation takes place during summer holidays.

As a result, due to the restricted time period, it is not possible to make a thorough analysis of the text and thus provide a contribution that will actually be useful and comprehensive.

Anigas will therefore be limited to an examination of a general nature only.

With particular reference to the proposed tariff structure, it is noted that the cost of gas transmission from Austria to Italy is disadvantageous compared to the transmission costs applied to the sale of gas on the Austrian market.

The rate being proposed for the exit point toward the area of Austrian distribution is equal to only 12% of the rate of output in Arnoldstein, causing transport towards Italy to cost 5 times more than the transport for Austrian customers (5.71 against 1.10 €/ kWh / h).

The heavy discrimination between Austrian and Italian customers does not seem entirely justified.

Also from comparing the Austrian tariff system with other EU Countries, for example Belgium which shows the same characteristics (high prevalence of transit over domestic gas consumption), Austria has an entry-exit (EE) ratio which is higher.

It is therefore considered necessary to review the ratio between the transportation tariff applied in the area of Austrian distribution and the fares for transport towards Italy: if the new tariff structure was confirmed as formulated in the document, this would translate to a level of cost so high as to undermine the competitiveness of this transit route for the gas.

It is also observed that this setting of EE tariffs fails to apply the European legislation where it provides that the rates of gas transport should be non-discriminatory, should allow the development of effective competition and the efficient operation of the market (Regulation EC 715/2009) and should provide adequate incentives to increase the efficiency of the service and to facilitate the integration of the market and the security of supply (Directive 2009/73/EC).

Given the above considerations, that highlight the high impact of the content of this consultation on the Italian gas market, and in order to provide a valuable contribution, we consider it is essential:

- **to extend the deadline of the consultation period;**
- **to develop an Austrian EE tariff structure that does not result in an unjustified imbalance between national charges and transit charges and able to ensure the development of the liquidity of the gas market, in line with the terms of the European Regulation;**

Anigas hopes that their requests will be accepted and remains at your disposal for any further clarification and details.

Best Regards,

Luciano Buscaglione
General Manager
