



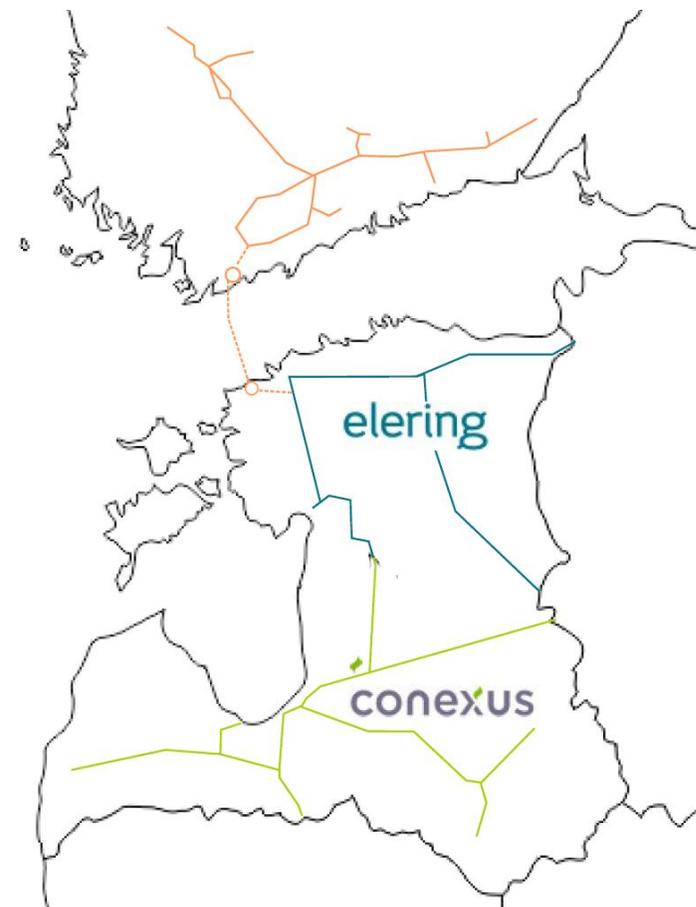
# INTEGRATED BALTIC GAS MARKET

20.06.2019

## MARKET AREA

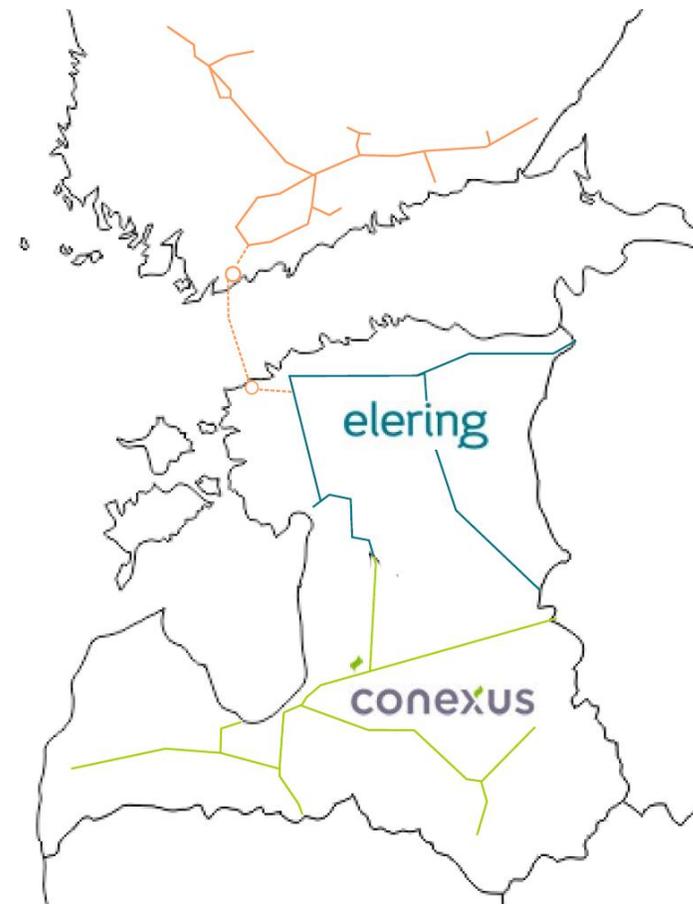
From Jan 1, 2020 single entry tariff area will be created for **Finland, Estonia and Latvia**

- ◆ Increased competition among suppliers
- ◆ Non-discrimination of supply routes
- ◆ No tariffs on internal borders of integrated market area
- ◆ Tariff transparency, predictability and reduced tariff system complexity
- ◆ National goal - more convenient use of storage



# NETWORK CODES

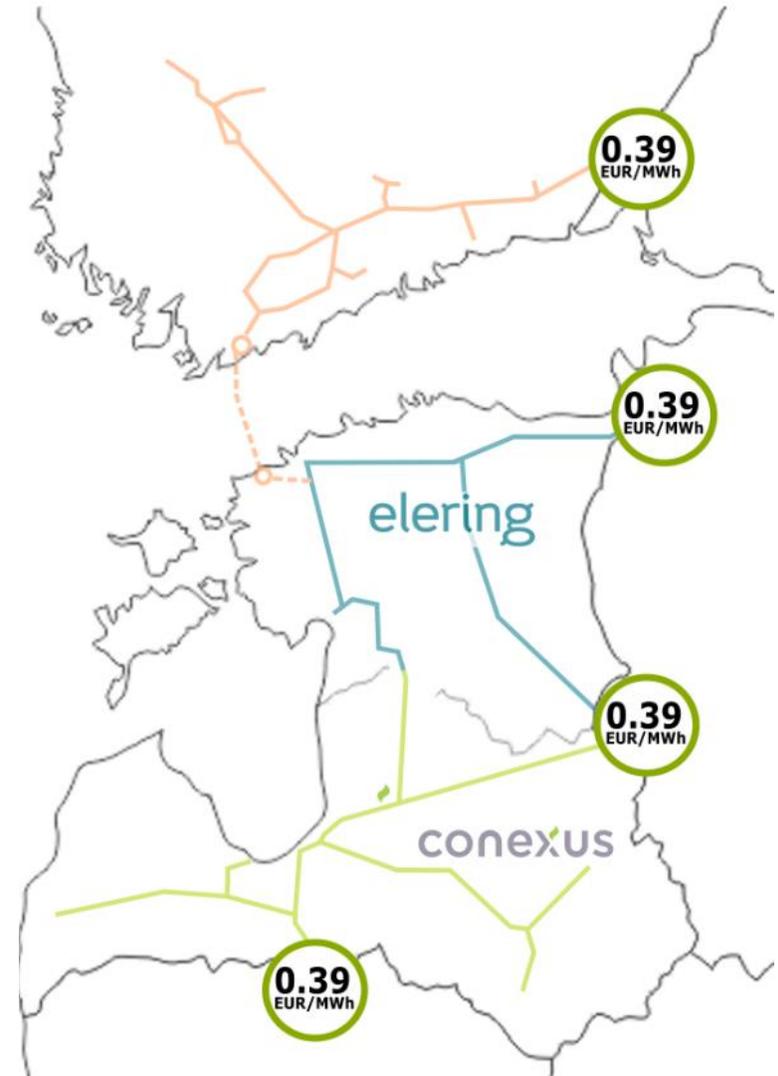
- ◆ LV and EE create a single balancing area
  - ◆ Common GTC and balancing rules
  - ◆ «Contracting TSO» principle – by signing of the agreement with either Conexus or Elering – access to both LV and EE transmission systems
  - ◆ Imbalance position calculation for whole balancing area
  - ◆ Option to pass balance responsibility to other party
  - ◆ Single VTP
  - ◆ Implementation of Central IT platform for communications with market participants
- ◆ Implicit capacity allocation at Balticconnector and Kiemenai



# TARIFF SETTING

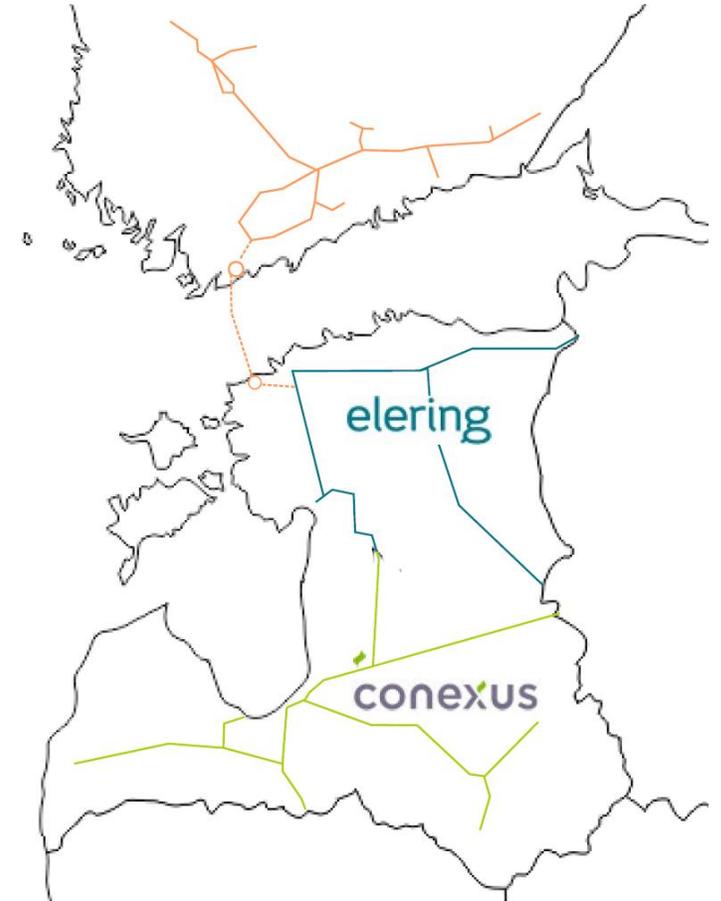
- Wholesale market merger
- Entry tariffs - post stamp
- Method of reference price setting - Benchmark

- ◆ Regionally coordinated decisions
  - ◆ Single set of entry tariffs on external borders
- ◆ National decisions
  - ◆ Exit tariff to distribution system (retail market)
  - ◆ Exit tariffs on external borders – decision taken by NRA of the state where exit IP is located
- ◆ Process
  - ◆ Regional coordination of NRA decisions
  - ◆ National procedures for tariff approval
  - ◆ Public consultations and ACER opinions



# WHEN, WHAT HOW

- ◆ GTCs and balancing rules approved by NRAs of Estonia and Latvia: by September 1, 2019
- ◆ Tariffs for integrated entry tariff area in place: by October 1, 2019
- ◆ Start of capacity booking for transitional gas year 2020: from November 1, 2019
- ◆ New agreements to be signed with NUs: starting from September 1, 2019 (storage contracts does not change)
- ◆ Start of operations of integrated wholesale market of Estonia and Latvia: from 7.00 January 1, 2020





# THANK YOU!

Aristida Briāna iela 6

Rīga, LV-1001, Latvia

+371 67 087 900

[janis.eisaks@conexus.lv](mailto:janis.eisaks@conexus.lv)