

AS Augstsprieguma tīkls

Voldemars Lapinskis

Head of Operation Division



ETSO Transit Compensation Mechanism 2008-2009

**Presentation materials of the ETSO ITC Ad-hoc group are used*

Basis for the agreement I

1. Compensation for losses WWT
2. Compensation for infrastructure based on cost incurred by hosting cross border flows. The asset base is regulated cost as in national tariffs. Contribution is based on the use of networks in other countries. Cost and compensation estimated on the basis of the previous agreements and the calculations presented to the ETSO SC in recent months
3. Taking this into account the net result will be in the range of the former and the existing agreements
4. The agreement is designed to fulfill the expectation that TSOs in all countries will join

Basis for the agreement II

1. All ITC parties should sign a new agreement for 2008 and 2009.
2. The signature will be subject to regulatory approval.
3. If a country decides to opt out of the agreement before signing the contract, a new negotiation shall be considered to revise the net result.

Treatment of Perimeter countries

1. The perimeter fee is 1,40 €/MWh on hourly netted nominated flow per border
2. The edge countries are responsible for collecting the fee from the PC
3. If any edge country is not able to collect a perimeter fee, the edge country involved will be responsible to collect the money.

Treatment of Baltic countries

- Baltic states will participate as one single ITC party, and they will collectively pay a contribution of 2,2 M€.
- This yearly contribution will be independent of changes in flow to and from the Baltic countries.
- All the Baltic TSOs should sign the contract. It should be stated in the contract that the internal agreement for the Baltic countries is in line with the EU Regulation 1228/2003.

Division of Baltic payment among countries

2. 200 000 EUR payment of the Baltic TSO's to the ETSO fund will be divided correspondingly to each country trader's share in the Estlink company NEL, e.g.:

- Estonia will pay 976 800 EUR;
- Latvia and Lithuania will pay 611 600 EUR (each).

*Thank You for
Attention!*