



Consultation document on the multipliers, seasonal factors and discounts, which will be applied in determining transmission tariffs for 2024- 2025 gas year

According to the requirements of Article 28 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas (Regulation (EU) 2017/460), the Energy and Water Regulatory Commission (EWRC) has to conduct a consultation with the national regulatory authorities of all directly connected Member States and the relevant stakeholders on the following:

(a) level of multipliers;

(b) level of seasonal factors and the calculations set out in Article 15 of Regulation (EU) 2017/460;

(c) levels of discounts set out in Articles 9 (2) and 16 of Regulation (EU) 2017/460.

For gas year 1 Oct 2024 - 30 Sep 2025, EWRC proposes calculation of reserve prices for non-yearly standard capacity products for firm capacity by using seasonal factors and multipliers.

The level of multipliers and seasonal factors is the same for all entry and exit points, as well as for the interconnection points. This approach is justified in order to ensure non-discriminatory access and elimination of cross-subsidization, as well as in view to the complexity of the transmission system in the Republic of Bulgaria.

The use of seasonal factors aims to achieve a balance between efficient network usage and the revenue collection of the transmission system operator. Low multipliers levels encourage network users to reserve short-term products, smoothing out their capacity booking profile, while high multipliers levels stimulate the reservation of long-term products lasting one or more years. The application of seasonal factors promotes the efficient system usage by changing the flows from periods of increased demand (winter) to periods of weak demand (summer) and reduces the negative impact that the booking of profiled capacity can have on the stability of the transmission system operator revenues and tariffs.

The level of the multiples was established taking into account the following principles:

- a) ensuring the balance between facilitating short-term gas trade on one hand and providing long-term signals for efficient investments in the transmission system and ensuring efficient revenue recovery on the other;
- b) avoiding volatility of tariffs;
- c) avoiding cross-subsidization between gas transmission network users.

The levels of the proposed multipliers and the calculated seasonal factors under Article 15 of Regulation (EU) 2017/460, are as follows:

1. Multipliers used to determine the short-term products prices, as follows:

- 1.1 quarterly capacity products - 1.3;
- 1.2 monthly capacity products - 1.4;
- 1.3 daily capacity products - 2;
- 1.4 intraday capacity products - 2.5.

2. Values of seasonal factors.

2.1 Quarterly capacity products:

- 2.1.1. For the IV quarter of 2024 from October 1 to December 31 – coefficient with a value of 1.15;
- 2.1.2. For the I quarter of 2025 from January 1 to March 31 – coefficient with a value of 1.35;
- 2.1.3. For the II quarter of 2025 from April 1 to June 30 – coefficient with a value of 0.83;
- 2.1.4. For the III quarter of 2025 from July 1 to September 30 – coefficient with a value of 0.66.

2.2 Seasonal factors for monthly, daily and intraday product:

- 2.2.1. October 2024 – 0.94;
- 2.2.2. November 2024 – 1.13;
- 2.2.3. December 2024 – 1.39;
- 2.2.4. January 2025 – 1.48;
- 2.2.5. February 2025 – 1.47;
- 2.2.6. March 2025 – 1.09;
- 2.2.7. April 2025 – 1.14;
- 2.2.8. May 2025 – 0.78;
- 2.2.9. June 2025 – 0.58;
- 2.2.10. July 2025 – 0.61;
- 2.2.11. August 2025 – 0.59;
- 2.2.12. September 2025 – 0.79.

15 of Regulation (EU) 2017/460 of the seasonal coefficients for quarterly, monthly, daily and intraday capacity products are set out in Annex № 1 to this consultation document and the attached file in Excel.

According to Article 13 of Regulation (EU) 2017/460, where seasonal factors are applied, the arithmetic mean of the product of the multiplier applicable for the respective standard capacity product and the relevant seasonal factors shall be within the same range as for the respective multipliers level, namely:

- for quarterly standard capacity products and for the monthly standard capacity products the level of the respective multiplier shall be no less than 1 and no more than 1.5;
- for daily standard capacity products and for intraday standard capacity products, the level of the respective multiplier shall be no less than 1 and no more than 3.

The arithmetic mean of the products of the multipliers applicable to the relevant standard capacity product and the relevant seasonal factors are as follows:

Month	Capacity products			
	Quarterly	Monthly	Daily	Intraday
October 2024	1,495	1,316	1,880	2,350
November 2024		1,582	2,260	2,825
December 2024		1,946	2,780	3,475
January 2025	1,755	2,072	2,960	3,700
February 2025		2,058	2,940	3,675
March 2025		1,526	2,180	2,725
April 2025	1,079	1,596	2,280	2,850
May 2025		1,092	1,560	1,950
June 2025		0,812	1,160	1,450
July 2025	0,858	0,854	1,220	1,525
August 2025		0,826	1,180	1,475
September 2025		1,106	1,580	1,975
Average	1,30	1,40	2,00	2,50

The values of the discounts under Art. 9 and Art. 16 of Regulation (EU) 2017/460 are as follows:

According to Article 9(1) of Regulation (EU) 2017/460 for capacity-based transmission tariffs at entry points to storage facilities and exit points from storage facilities, a discount of at least 50 % shall be applied unless and to the extent that a storage facility that is connected to more than one transmission or distribution network is used to compete with an interconnection point.

Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 (Regulation (EU) 2022/1032) in relation to gas storage provides the possibility for national regulatory authorities to apply a discount of up to 100% to capacity-based transmission and distribution tariffs, to entry points to and exit points from underground gas storage facilities and LNG facilities, unless and to the extent that such facility that is connected to more than one transmission or distribution system is used as a competitive alternative to an interconnection point.

On the territory of the Republic of Bulgaria there is only one gas storage – Chiren underground gas storage (UGS), whose operator is Bulgartransgaz EAD.

Given the importance of natural gas storage facilities for security of supply, the adjustment of seasonal irregularities in natural gas consumption, the security of the gas transmission system, as well as the requirements of European legislation for the use of a discount on access tariffs at entry and exit points into/from storage facilities, it is justified to apply a 100% discount on the calculated cost-oriented tariffs, for a natural gas storage facility connected to the transmission system owned by the company.

According to Art. 9 (2) of Regulation (EU) 2017/460 at entry points from liquefied natural gas facilities and at entry points from and exit points to infrastructure designed to overcome the isolation of Member States with regard to their transmission systems, a discount may be applied to relevant capacity-based transmission tariffs in order to enhance security of supply.

The provision of Art. 9 (2) of Regulation (EU) 2017/460 shall not be applied to the Bulgarian transmission system as it is not connected to LNG facilities or infrastructure developed to overcome the isolation of Member States with regard to their gas transmission systems.

The calculation of the reserve prices for standard products for interruptible capacity is defined in Article 16 of Regulation (EU) 2017/460. The application rules and calculation of a preliminary discount are set out in Article 16, par. 1 – 3 of Regulation (EU) 2017/460.

Given that in the period 1.01.2023 – 20.02.2024 in the exit direction for entry/exit interconnection point Kulata/Sidirokastro, were reported 6 days with cases of physical overload, with a total interrupted capacity of 27 518 MWh, for the gas year 2024/2025 a preliminary discount (ex-ante discount) should be applied at Kulata/Sidirokastro exit point, calculated in accordance with the requirements of paragraphs 2 and 3 of Article 16 of Regulation (EU) 2017/460, in the amount of 6.22%.

According to Article 16, paragraph 4, first sentence of Regulation (EU) 2017/460, as an alternative to the application of ex-ante discounts, the national regulatory authority may decide to apply an ex-post discount where network users are compensated after actual interruptions have incurred. Such ex-post discount may be used only at interconnection points where there has been no capacity interruption due to physical congestion in the previous gas year – Article 16 paragraph 4, second sentence of Regulation (EU) 2017/460. The ex-post compensation paid for each day on which an interruption occurred shall be equal to three times the reserve price for daily standard capacity products for firm capacity - Article 16, paragraph 4, third sentence of Regulation (EU) 2017/460.

Given the fact that all other interconnection points lack historical data, necessary to calculate the probability of interruption and also no interruptions and directions, caused by physical congestion, are foreseen in the indicative scenario for gas year 2024/2025, for all other points and directions, a subsequent discount should be applied based on the actual measured duration of the interruption (ex-post discount), calculated on the actual interrupted capacity.

In the event of interruption, users who have reserved interruptible capacity will be compensated by applying an ex-post discount equal to three times the reserve price for daily capacity products calculated over the actually interrupted capacity in accordance with the following formula:

$$D = 3 * Цдп * C * t,$$

where D is the discount, BGN;

Цдп is the price for daily capacity product, BGN/kWh/d;

C is the actual amount of interrupted capacity, kWh/h;

T is the interruption time, h.

This Consultation Document on the multipliers, seasonal coefficients and discounts that will be applied when determining the transmission tariffs, was adopted by EWRC by decision under Protocol №..... of.....2024, item.....

Seasonal factors for monthly, daily and intraday capacity products

Month	Total monthly forecast quantities (art. 15 (3)a) [MWh]	Sum of monthly forecast quantities (art. 15 (3)b) [kWh]	Usability level (art. 15 (3)c)	Initial level of coefficients (art. 15 (3)e)	Arithmetic mean of the products of (5) with the monthly product multiplier (art. 15 (3)f)	Arithmetic mean of the products of (5) with the daily product multiplier (art. 15 (3)g)	Arithmetic mean of the products of (5) with the intraday product multiplier (art. 15 (3)g)	Final value of coefficients for monthly product (art. 15 (3)g)	Final value of coefficient for daily product (art. 15 (3)g)	Final value of coefficient for product intraday (art. 15 (3)g)
(1)	(2)	(3)	(4)=(2)/(3)	(5)=((4) ¹²) ¹	(6)	(7)	(8)	(9)	(10)	(11)
Oct 2024	11 422 209 314	145 152 000 000	0,0787	0,9443	1,3220	1,8886	2,3607	0,94	0,94	0,94
Nov 2024	13 664 395 786	145 152 000 000	0,0941	1,1297	1,5815	2,2593	2,8242	1,13	1,13	1,13
Dec 2024	16 863 954 193	145 152 000 000	0,1162	1,3942	1,9518	2,7884	3,4854	1,39	1,39	1,39
Jan 2025	17 881 765 418	145 152 000 000	0,1232	1,4783	2,0696	2,9566	3,6958	1,48	1,48	1,48
Feb 2025	17 775 192 174	145 152 000 000	0,1225	1,4695	2,0573	2,9390	3,6738	1,47	1,47	1,47
Mar 2025	13 226 472 960	145 152 000 000	0,0911	1,0935	1,5308	2,1869	2,7336	1,09	1,09	1,09
Apr 2025	13 836 038 174	145 152 000 000	0,0953	1,1439	1,6014	2,2877	2,8596	1,14	1,14	1,14
May 2025	9 410 582 781	145 152 000 000	0,0648	0,7780	1,0892	1,5560	1,9450	0,78	0,78	0,78
Jun 2025	7 037 897 182	145 152 000 000	0,0485	0,5818	0,8146	1,1637	1,4546	0,58	0,58	0,58
Jul 2025	7 351 263 418	145 152 000 000	0,0506	0,6077	0,8508	1,2155	1,5194	0,61	0,61	0,61
Aug 2025	7 121 165 766	145 152 000 000	0,0491	0,5887	0,8242	1,1774	1,4718	0,59	0,59	0,59
Sep 2025	9 561 062 834	145 152 000 000	0,0659	0,7904	1,1066	1,5809	1,9761	0,79	0,79	0,79
Arithmetic mean value					1,40	2,00	2,50			
Comparison with the bet limit					β^a	β^a	β^a			

Seasonal factors for quarterly capacity products calculated according to art. 15(5) a i

Quarter	Factor
2024 IV quarter (1 Oct - 31 Dec)	1,15
2025 I quarter (1 Jan - 31 March)	1,35
2025 II quarter (1 April - 30 June)	0,83
2025 III quarter (1 July - 30 Sep)	0,66