June 25th, 2018

Consultation on Open Season project for HU-SK-AT capacities

Dear Sirs, dear Madame,

We are writing you with regards to the currently ongoing consultation on the Open Season project for HU-SK-AT capacities.

First of all, we would like to thank you for the opportunity to participate in this consultation and to share our thoughts and comments with you.

Reviewing the Rulebook under consultation, we would like to reiterate that in our view the original ROHUAT project would have been our preferred solution representing the more direct and economic solution, and we regret the cancellation of the HUAT project as follow up to the ROHU Open season.
The detour via Slovakia was repeatedly described as “cheaper” than the direct connection from Hungary to Austria. Therefore we would have expected that the combined ROHU and HUSKAT tariff would be at a level that is at least not higher than the original ROHUAT tariff. What we can see now is, however a total tariff from Romania to Austria (via Slovakia) adding up to a total of some 4.50 EUR/MWh compared to some 3.50 EUR/MWh of the original ROHUAT product. The splitting of ROHUAT into a separate ROHU and HUSKAT products made the gas transport substantially more expensive with negative consequences for the competition and the gas consumers in the CEE region.

In an attempt to understand the reason for the substantial higher tariff of ROHU + HUSKAT in comparison to ROHU – even with HUSKAT only at regulated tariffs without supplement - we made some assessment of the planned infrastructure projects. Following this assessment it seems that some of the planned extensions are over-dimensioned if required for the HUSKAT project only.

The f-factor is set at the maximum level of 1.0. We kindly ask for clarification why such high f-factor is deemed appropriate.

Thank you again for the opportunity to state our opinion in the course of this consultation process. We are looking forward to a further constructive cooperation and are available for further discussions in the future.

Sincerely yours,

Michael Woltran
Vice President
Downstream Gas Innovation & Advocacy
OMV Gas & Power GmbH