

Gasunietransportservices B.V
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Concourslaan 17
9727 KC Groningen

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Consultation Draft Investment Plan 2020

Dear Madams/Sirs,

OMV Gas Marketing & Trading GmbH (OMV Gas) appreciates the Investment Plan 2020 prepared by GTS. We believe that the document is largely consistent and we appreciate GTS's effort to provide – to the extent possible - accurate planning assumptions related to upcoming investment programmes.

OMV GAS Marketing & Trading GmbH

With regard to the content of the IP2020, we would like to raise three points of concern.

Alexander Frank
Transportation Management

- We would like to emphasize that the integration of the Zebra network does not add much benefit for transit shippers and therefore we would like to gain better understanding how the planned investment will be recovered by GTS.
- We cannot comprehend the comparably large amount predicted for IT (CAPEX) investment, projected at 11 mio € **per year**. We are questioning this huge investment volume and would like to invite GTS to keep its IT investment scheme as efficient as possible.
- We would like to raise concerns in regard to the future role of H-Gas imports. We are questioning the concept that additional H-gas import capacity into the Netherlands might be required for the purpose of gas being fed into to-be built H->G/L conversion infrastructure before it is re-exported as G/L-Gas to neighbouring countries. We assume it should not be the task of the Dutch market to finance infrastructure projects dedicated for – in fact - abroad market needs. Instead and in line with overall grid efficiency targets, we would prefer regional approaches which utilize existing (import) infrastructure also in neighbouring

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countries to the best extent possible to overcome potential L-Gas shortages.

OMV Gas considers the IP2020 as a valuable piece adding up to the quality and reliability of the Dutch gas market in the mid to long-term future. However, we strongly request that the recovery mechanism of investment costs and TSO costs in general needs to undergo significant changes.

In particular the tariffication of transit contracts has become unduly discriminative with regard to the fact that H-Gas long-term contracts have already been cross-financing significant investments in L-Gas projects over the past years without benefitting from said projects. For the upcoming regulatory (2022 ff) period this cross-subsidization between gas qualities is expected to accelerate: the sector agreement foresees full socialization of quality conversion costs, which constitute a significant share of the IP2020 for that period.

We would however invite all relevant authorities and GTS to design, in accordance with European legislation under the involvement of market parties, future tariffication schemes which are more cost-reflective with respect to gas quality issues. The desired result should be the creation of fair conditions also for the transit market which serves as the backbone to the entire TTF market area.

Should you have any question or remarks, we remain at your disposal.

With best regards
OMV Gas