



Dear business partners,

As we embark on the journey of 2024, we extend heartfelt wishes for a prosperous year ahead. In this edition of our newsletter, we bring you a snapshot of the latest developments in the natural gas transmission sector, with a keen focus on the 2024 Czech transmission prices and NET4GAS' PCI hydrogen projects. Notably, we highlight the Czech Ten-Year Network Development Plan, the launch of our new CAMS system and the Central & South-Eastern Europe Decarbonisation Report 2023. As always, we provide you with an overview of our capacity offer and network utilization. We also share the information about planned maintenance and upcoming auctions.

Thank you for your continued partnership and enjoy your reading!

Tomáš Vyležík, Head of Commercial Management

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NET4GAS secures a place on the new draft EU list of hydrogen PCI projects

- The sixth draft of the EU-wide list of Projects of Common Interest (PCI) and Projects of Mutual Interest (PMI) was published in November 2023.
- Two NET4GAS projects are on the list - the Central European Hydrogen Corridor (CEHC) and the Czech-German Hydrogen Interconnector (CGHI).

HYDROGEN

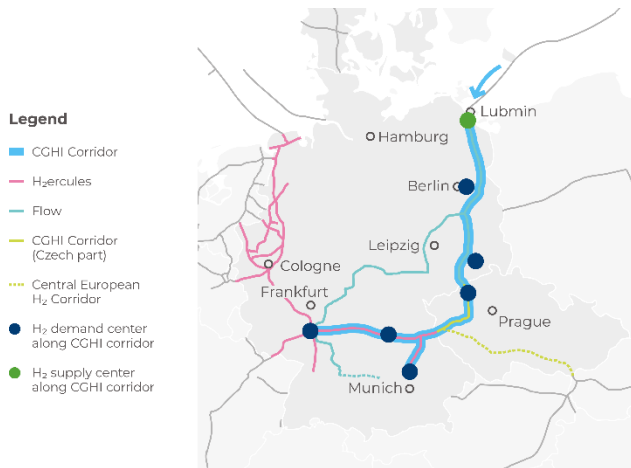
On 28 November 2023, the European Commission (EC) published a *new draft EU-wide list of energy projects*, which focuses on cross-border energy infrastructure. The list includes both Projects of Common Interest (PCI), i.e. projects on EU territory, and Projects of Mutual Interest (PMI), connecting the EU with other countries and regions.

Projects focused on hydrogen, which will play a key role in the integration of the energy systems and the decarbonization of the EU economy, have also been included on the list. We are pleased to announce that two NET4GAS projects, with a primary emphasis on

connecting hydrogen production in Northern and Eastern Europe with demand centers in Central Europe, have been included on the lists:

Czech German Hydrogen Interconnector (CGHI)

The aim of this project is to build a transport route for pure hydrogen produced in the Baltic Sea and the Nordic countries to the Czech Republic and southern Germany.



Source: www.cghi.eu

Central European Hydrogen Corridor (CEHC)

The goal of this project is to enable the transport of pure hydrogen from Ukraine via Slovakia and the Czech Republic to large areas of hydrogen demand in Germany and further into the EU.



Source: www.cehc.eu

Apart from the previously mentioned initiatives, NET4GAS is actively involved in advancing further hydrogen initiatives and projects, with a particular emphasis on efforts like the [SunsHyne Corridor](#).

This year's list of PCI and PMI projects is the first list submitted under the revised [Trans-European Energy Infrastructure \(TEN-E\) Regulation](#), reflecting the changes to the energy system resulting from the new policy context, particularly from the Union's strengthened energy and climate goals for 2030.

The final approval of the new list is anticipated in the first quarter of this year. Following approval, individual calls for

the submission of CEF (Connecting Europe Facility) grants will be initiated to accelerate the implementation of the projects and to contribute to the achievement of European energy and climate goals.

Tomáš Lev

Price Decision for the calendar year 2024

- The firm gas storage transmission tariffs and variable fee for border points remain unchanged, variable fee at storage exit points slightly increased.
- The firm prices for border points have already been published in the *Price Decision No. 1/2023* dated 2 June 2023.

PRICES

On 29 November 2023, the Energy Regulatory Office (ERO) released its new *Price Decision No. 4/2023* which includes the transmission tariffs for virtual gas storage points and variable transmission price for border exit points for the calendar year 2024. The Price Decision also specifies regulated prices for distribution system operators and customers who are directly connected to the transmission system of NET4GAS. This Price Decision has been in effect since 1 January 2024.

The variable price for transported natural gas at the Czech exit border points remains unchanged at $0.0058 \times C_{OTE}$, where C_{OTE} is determined by the Czech gas market *OTE Index* published by the Czech gas market operator.

Moreover, the transmission prices for virtual gas storages have remained unchanged as of 10 May 2022. The fixed transmission tariffs for both TSO entry and exit are set at 0 CZK/(MWh/d)/y. However, the variable price for the TSO exit to virtual gas storage has risen from 0.74 CZK/MWh to 1.06 CZK/MWh.

Price Decision No. 1/2023, which was issued on 2 June 2023, had previously announced the revised fixed transmission tariffs for all border points.

For more detailed information, please see the Price Decision published on the [ERO website](#) or visit the NET4GAS [website](#).

David Urban

Czech Ten-Year Network Development Plan

MARKET

On 3 January 2024 the Energy Regulatory Office approved the Czech Ten-Year Network Development Plan for the period 2024 – 2033. The plan is prepared on an annual basis in accordance with the Energy Act and provides a description of the Czech transmission system, a list of implemented and forthcoming investment projects, and information on the adequacy of the transmission system and the security of supply.

It is noteworthy to mention that among the broad spectrum of topics, the plan provides insights into the EU and the Czech energy policies, delves into the concept of sector coupling, and thoroughly examines the plans, initiatives, and projects associated with the dynamic field of hydrogen.

The new plan is available on our [website](#) (in Czech only).

Petr Vaněk

CEE SEE Decarbonisation Report 2023

DECARBONISATION

In November 2023, [Gas Infrastructure Europe \(GIE\)](#) and Deloitte released their third annual [CEE SEE Decarbonisation Report 2023](#) on the decarbonisation status of Central-Eastern (CEE) and South-Eastern (SEE) Europe.

As in the last year, the report outlines the status of energy transition in 14 EU Member States in the CEE & SEE region and includes:

- Key energy market figures,
- Current emissions and target emissions figures,
- The main decarbonisation challenges and strategies,
- A comparative analysis of the national energy markets, and

- Examples of cross-border and national decarbonisation projects.

In addition, two new topics have been introduced in this year's edition:

- Specific insights into the impact of Europe's energy crisis in 2022 and
- An overview of the development of the hydrogen value chain in the region.

The report also highlights various regional hydrogen initiatives and projects, notably featuring two hydrogen projects with NET4GAS involvement - the Central-Eastern Hydrogen Corridor and South-Eastern Europe H2 Corridor.

For more information and to download the report, please use the link above.

Drahomíra Glacová

New Capacity Management System (CAMS) launched on 1 October 2023

PLATFORMS

We are informing you about the recent launch of our new Capacity Management System (CAMS) on 1 October 2023. The ongoing hot phase of the project is part of our commitment to providing improved tools and services for our customers, aiming to simplify their experience and to provide them with the most advanced tools for efficient work.

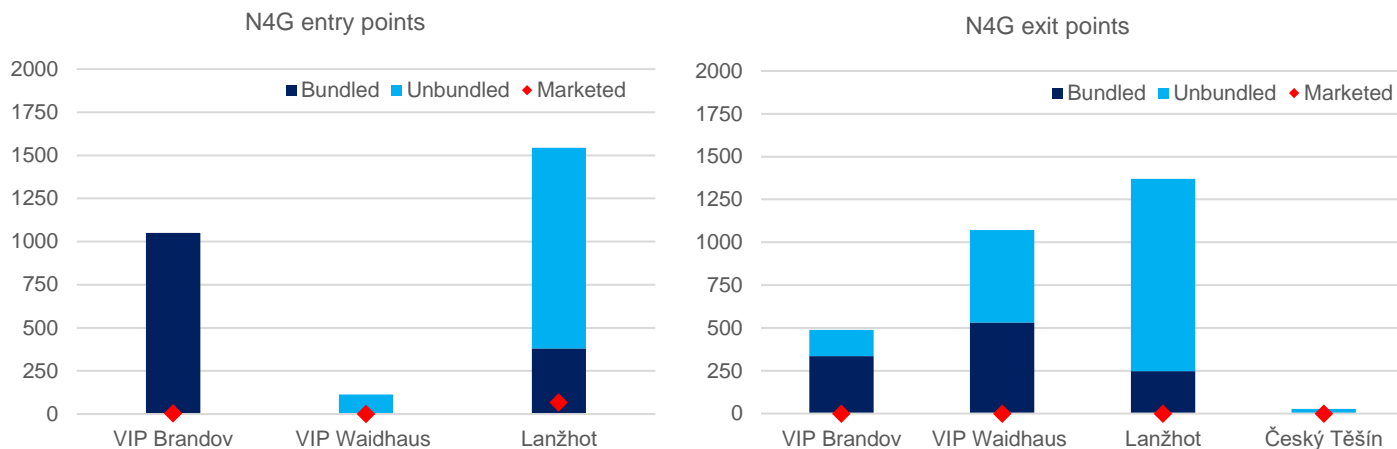
Moreover, CAMS incorporates a new publicly accessible data interface on our [website](#), providing users with valuable insights into our transmission data for their benefit.

Thank you for your cooperation and patience as we continuously enhance the system. We value feedback from all users and encourage you to share your insights as we work towards ongoing improvements.

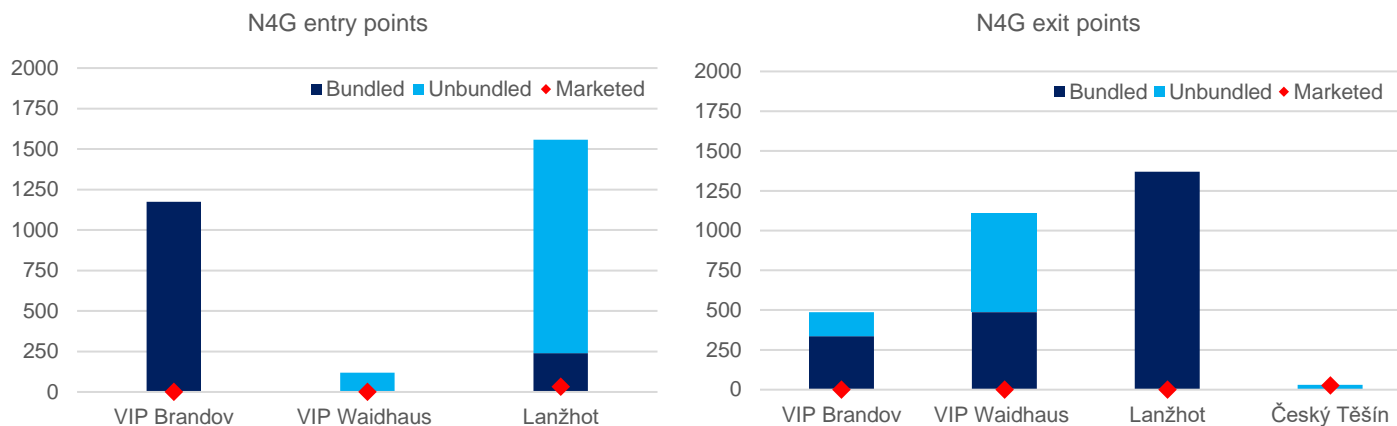
Petr Vaněk

NET4GAS capacity offer and utilization

NET4GAS capacities offered and booked in monthly auctions for January 2024 in GWh/d



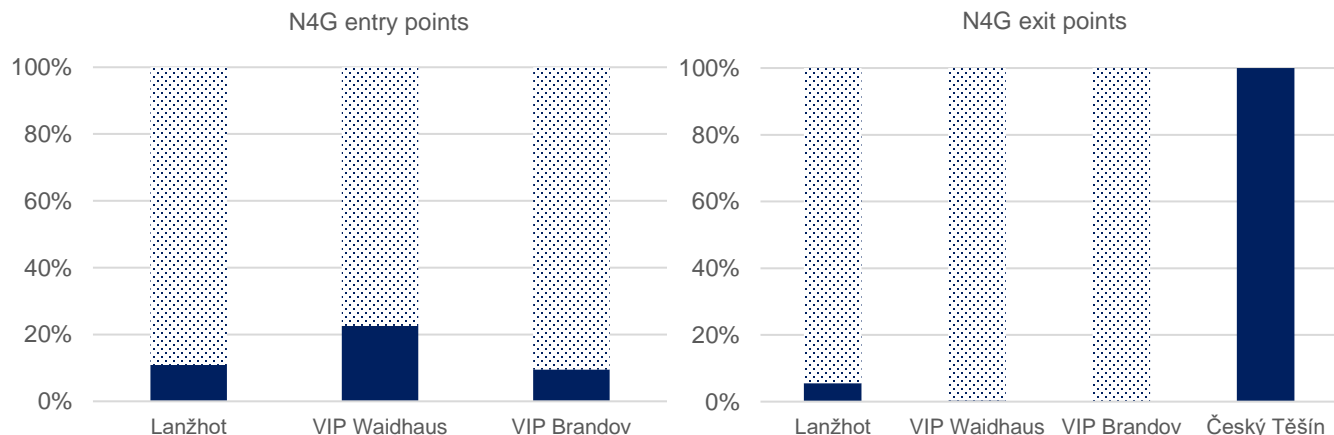
NET4GAS capacities offered and booked in daily auctions in GWh/d for the period 1 – 9 January 2024 *)



Note: Hatched charts represent unbundled capacities offered on an interruptible basis.

*) Charts represent the daily maximums offered and marketed during the respective time period. Marketed also includes interruptible capacities which are on a day-ahead basis offered for all NET4GAS entry and exit points.

Maximum daily technical capacity utilization at border points for the period September – December 2023



Planned maintenance work of NET4GAS infrastructure

SHUTDOWNS

Please find below a rough overview of the currently planned maintenance up to March 2024. All and complete planned maintenance work and consequent firm capacity interruptions at all entry and exit points of NET4GAS infrastructure for every gas day are available on our [website](#). The final maintenance plan is announced 42 days in advance in line with legislation.

Entry points

Month	Entry point	Technical capacity [GWh/d]	Maximum daily interruption [GWh/d]	Maximum available daily firm capacity [GWh/d]
January	VIP Brandov	2,546.338	296.801	2,459.582
February	VIP Brandov	2,546.338	493.261	2,459.582
March	VIP Brandov	2,546.338	345.916	2,459.582

Exit points

Month	Exit point	Technical capacity [GWh/d]	Maximum daily interruption [GWh/d]	Maximum available daily firm capacity [GWh/d]
January			No planned maintenance	
February			No planned maintenance	
March			No planned maintenance	

The last two columns show the maximum daily interruption and the maximum available daily firm capacity in a given month during maintenance, i.e. in case the maintenance affects infrastructure only during some days of the month, the maximum available daily firm capacity equals the whole technical capacity.

Upcoming auctions of NET4GAS capacities

AUCTIONS

All upcoming auctions can be found in the auction calendar on the [PRISMA](#) platform. Find all monthly and quarterly auctions to be published in the coming months in the table below:

Publication date	Auctions start	Auction type	Product runtime	Capacity types
22 January 2024 9:00	5 February 2024 9:00	Quarterly	1 April 2024 – 1 July 2024	Firm
12 February 2024 9:00	19 February 2024 9:00	Monthly	1 March 2024 – 1 April 2024	Firm
20 February 2024 7:00	27 February 2024 9:00	Monthly	1 March 2024 – 1 April 2024	Interruptible
26 February 2024 7:00	4 March 2024 9:00	Quarterly	1 April 2024 – 1 July 2024	Interruptible
11 March 2024 09:00	18 March 2024 09:00	Monthly	1 April 2024 – 1 May 2024	Firm
19 March 2024 07:00	26 March 2024 09:00	Monthly	1 April 2024 – 1 May 2024	Interruptible
8 April 2024 09:00	15 April 2024 09:00	Monthly	1 May 2024 – 1 June 2024	Firm
22 April 2024 9:00	6 May 2024 9:00	Quarterly	1 July 2024 – 1 October 2024	Firm
16 April 2024 7:00	23 April 2024 09:00	Monthly	1 May 2024 – 1 June 2024	Interruptible
27 May 2024 7:00	3 June 2024 9:00	Quarterly	1 July 2024 – 1 October 2024	Interruptible

Daily auctions for firm capacity always start at 4:30 PM on the day before the gas day, and the auctions for interruptible capacity always start at 5:30 PM on the day before the gas day. Within-day auctions start at 7:00 PM on the day before the gas day. Bidding windows open at the start of an auction and start every hour H , with bids to be placed for the remaining part of the gas day starting at hour $H+4$.