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Sent: Wednesday, March 4, 2020 1:22 PM
To: SPRK <sprk@sprk.gov.lv>
Cc: ENK Gaas/Energia <gaas@energia.ee>
Subject: Eesti Energia comments to SPRK Proposal for Amendments in the Inčukalns Gas Storage Usage Regulations

Dear Public Utilities Commission of Latvia,

Thank you for the given opportunity to comment the proposed amendments in the Inčukalns Gas Storage Usage Regulations.

Please find Eesti Energia comments below:

1.9. paragraph 12 is amended to read as follows:

'12. The system operator shall allocate storage capacity taking into account system users' capacity product applications pursuant to paragraph 13 of this Regulation submitted between 9:00 am on the previous business day and 9.00 am on the following business day.'

What is the definition of the "working day" term? For example, many companies in Latvia will have 13 June 2020 (Saturday) as a working day in order to take day off on 22 June 2020 (Monday). Would in such case Saturday 13 June 2020 be considered as a working day in the meaning of this paragraph? Will Latvian-only national holidays (for example, 4 May 2020) be considered as a working day in the meaning of this paragraph?

1.12. Paragraph 14 is amended to read as follows:

'14. The system operator shall electronically inform the system user of the allocation of a capacity product by sending an appropriate notification within two hours from the time of submission of applications for a capacity product by system users as specified in Paragraph 12 of this Regulation.'

So does it mean that system users should have a clear confirmation of allocation or non-allocation of the capacity product by 11.00 am for all applications that were submitted between 9:00 am on the previous business day and 9.00 am on the following business day?

1.14. Points 19 and 20 are amended to read as follows:

'19. Where a system user has, at the end of the withdrawal season, stocks held as part of a two-year bundled capacity product for which the utilization period has expired or market product, the system user shall be deemed to have reserved the stock transfer product for the next storage cycle in the relevant quantity of stocks charged to the system operator in accordance with the stock transfer product tariff for the next storage cycle.'

If system user was granted "stock transfer product" does the system user need to reserve IPGK1YP in addition to Stock transfer product (product code INTP) in order to keep the gas for next 12 months (so that system user will have to pay for INTP plus IPGK1YP)?

1.21. Paragraph 30 is amended to read as follows:

'30. A system user may transfer stocks stored within a bundled capacity product and a two-year bundled capacity product within a bundled capacity product. A system user may move stocks stored within the market product within the market product within the market product.'

It would be much better to have a clear explanation what products can be transferred to what products. Current definition is confusing.

Is the following interpretation correct:

Stocks stored within IPGK2YP can be moved to IPGK2YP and IPGK1YP products.

Stocks stored within IPGK1YP can be moved to IPGK1YP product only.

Stocks stored within IPGKMP can be moved to IPGKMP product only.

1.26. The following paragraph 59.1 is added to the Decision:

<...>

59.11 During the natural gas injection storage, the system operator shall, as part of congestion management and capacity available for the storage of natural gas, allocate natural gas injection capacity among system users in the order of receipt of the trade notifications and as a priority for the bundled capacity product and the two-year bundled capacity product specified in the trade notification.';

Which one of the bundled capacity products has higher priority, IPGK1YP or IPGK2YP, or are they treated equally in case of injection congestion?

Thank you

Kind regards

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