



National Commission for Energy Control and Prices
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REGARDING THE MAIN PRINCIPLES OF THE ENTRY/EXIT TARRIFFS TO BE APPLIED IN THE SINGLE BALTIC GAS MARKET

Dear Sirs,

We would like to express our sincere appreciation for your initiative, effort and all the input in integrating the national gas markets of the Baltic States. We are fully aware of the complexity of the project, therefore, we are very glad to see your success in accomplishing this important milestone.

Also, we would like to inform that we have acquainted with the main principles of the pricing and financial compensation among the TSOs operating in the Baltic States natural gas markets sent by your representatives recently. We fully understand the basis of the model which is in line with our interests to integrate the Baltic gas markets with single entry/exit zones and unified tariff system enabling more competitive cross-border gas trading and the maturity of the market itself. In our view, creation of the single Baltic gas market is a vital step that needs to be done in the effective, transparent and non-discriminatory way, and in doing so to generate the highest economic and social benefits for the gas end-users in the Finnish, Estonian, Latvian and Lithuanian gas markets.

We also support the implementation of the model from 2018 as the time is very important criteria since the opening of the three Baltic gas markets. Our company is already in the process of preparation for the new model in terms of planning its gas sales operations and trading strategy based on your timeline.

In addition, we kindly ask to keep us informed about the process so we could stay in tune with the new developments.

If you have any questions, do not hesitate to contact us by email: info@litgas.lt.

Chief Executive Officer

A handwritten signature in blue ink, appearing to read "Vytautas Čekanavičius", written over a light blue horizontal line.

Vytautas Čekanavičius

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