

<b>Commission Regulation (EU) 2017/460</b>			
<b>Article 29 “Information to be published before the annual yearly capacity auction 2018-2019”</b>			
<b>Scope</b>	<b>Article</b>	<b>Description</b>	<b>Information</b>
Information on standard capacity products for firm capacity	Article 29 (a)	Reserve prices	See more information in <a href="#">chapter 2.2</a>
		Level of multipliers	
		The justification of the national regulatory authority for the level of multipliers	
Information standard capacity products for interruptible capacity	Article 29 (b)	Reserve prices	See more information in <a href="#">chapter 2.3</a>
		List of all types of standard capacity products for interruptible capacity offered	
		Type and level of discount applied	

<b>Commission Regulation (EU) 2017/460</b>			
<b>Article 30 “Information to be published before the tariff period”</b>			
<b>Tariff period 2018/2019</b>			
<b>Scope</b>	<b>Article</b>	<b>Description</b>	<b>Information</b>
Technical Characteristics of the transmission network	Article 30 (1)(a)(i)	Technical capacity at entry and exit points and associated assumptions	See more information at: <a href="https://www.ign.ren.pt/web/guest/capacidades-pcs-pontos-relevantes">https://www.ign.ren.pt/web/guest/capacidades-pcs-pontos-relevantes</a>
	Article 30 (1)(a)(ii)	Forecasted contracted capacity at entry and exit points and associated assumptions	See more information in <a href="#">chapter 2.1</a>
	Article 30 (1)(a)(iii)	The quantity and the direction of the gas flow for entry and exit points and associated assumptions, such as demand and supply scenarios for the gas flow	
	Article 30 (1)(a)(iv)	Structural representation of the transmission network with an appropriate level of detail	
	Article 30 (1)(a)(v)	Additional technical information about the transmission network	
Revenue Level	Article 30 (1)(b)(i)	Allowed/target revenue	92 840 thousand euros <sup>1</sup>
	Article 30 (1)(b)(ii)	Yearly changes to allowed / target revenue	-34,5% (compared with year gas 2017/2018)
	Article 30 (1)(b)(iv)	Transmission services revenue	92 840 thousand euros

<sup>1</sup> This amount is the result of the application of “demand volatility mechanism” that defers the adjustments of revenues related with demand forecast deviations. The revenue recovered by Transmission System Operator is 53 155 thousand euros

<b>Commission Regulation (EU) 2017/460</b>				
<b>Article 30 “Information to be published before the tariff period”</b>				
<b>Tariff period 2018/2019</b>				
<b>Scope</b>	<b>Article</b>	<b>Description</b>	<b>Information</b>	
Parameters Level	Article 30 (1)(b)(iii)(1)	Types of assets in RAB and their aggregated value	604 719 thousand euros (net asset value)	
	Article 30 (1)(b)(iii)(2)	Cost of capital and calculation methodology	Gas TSO WACC for 2016, second semester was 6.05%. Pre-tax nominal WACC. Capital Asset Pricing Model (CAPM) methodology for cost of equity and a default spread methodology for cost of debt. The WACC to be applied in the regulatory period Jul.2016-Jun.2019, is indexed to the Portuguese 10 year bond benchmark and depends, in each year, on its evolution, with a cap (9.0%) and a floor (5.4%).	
	Article 30 (1)(b)(iii)(3)	Capital expenditures	60 976 thousand euros	
	Article 30 (1)(b)(iii)(3)(a)	Methodologies to determine the initial values of assets	For the first regulatory period (2007) the RAB was re-evaluated by the government (ICR).	
	Article 30 (1)(b)(iii)(3)(b)	Methodologies to re-evaluate assets	No revaluation of assets (ICR)	
	Article 30 (1)(b)(iii)(3)(c)	Explanation of the evolution of the value of assets	Assets grow annually by the addition of new assets and the deduction of assets write-offs and subsidies	
	Article 30 (1)(b)(iii)(3)(d)	Depreciation periods and amounts per asset type	Annual depreciation (See Annex I – average rate of depreciation per asset type)	
	Article 30 (1)(b)(iii)(4)	Operation expenditures	19 119 thousand euros	
	Article 30 (1)(b)(iii)(5)	Incentive mechanisms and efficiency targets	A <i>price cap</i> methodology is applied in the operational expenditures, with a fixed part and a variable amount indexed to the evolution of physical variables (used exit capacity based on a daily maximum over a 12 month period and an annual efficiency target of 3%).	
	Article 30 (1)(b)(iii)(6)	Inflation indices	GDP deflator (1,5%)	
	Reconciliation and regulatory account, where TSO functions under a non-price cap regime Article 30 (1)(b)(vi)	Article 30 (1)(b)(vi)(1)	Actually obtained revenue	In the last real year (2016) the amount was 113 977 thousand euros
under- or over-recovery of allowed revenue			In 2016 the billing was higher than the allowed revenues based in real values	
part of under- or over recovery attributed to reg. account / sub-accounts			+ 5 569 thousand euros	
Article 30 (1)(b)(vi)(2)		Reconciliation period	2 years	
		Incentive mechanisms implemented	Not applicable	

<b>Commission Regulation (EU) 2017/460</b> <b>Article 30 "Information to be published before the tariff period"</b> <b>Tariff period 2018/2019</b>			
<b>Scope</b>	<b>Article</b>	<b>Description</b>	<b>Information</b>
	Article 30 (1)(b)(vii)	Intended use of the auction premium	Until the present date there was no auction premium obtained

<b>Commission Regulation (EU) 2017/460</b>			
<b>Article 30 “Information to be published before the tariff period”</b>			
<b>Tariff period 2018/2019</b>			
<b>Scope</b>	<b>Article</b>	<b>Description</b>	<b>Information</b>
Transmission Tariffs	Article 30 (1)(c)(i),(iii)	Commodity-based transmission tariffs referred to in Article 4(3); Reference prices and other prices applicable at points other than those referred to in Article 29	Information available at <a href="#">section 2.4</a> Information available at <a href="#">section 2.5</a>
Transmission tariffs – revenue ratios	Article 30 (1)(b)(v)(1)	Capacity-commodity split, meaning the breakdown between the revenue from capacity-based transmission tariffs and the revenue from commodity-based transmission tariffs	Capacity – 99% Commodity – 1%
	Article 30 (1)(b)(v)(2)	Entry-exit split, meaning the breakdown between the revenue from capacity-based transmission tariffs at all entry points and the revenue from capacity-based transmission tariffs at all exit points	Entry capacity - 27% Exit capacity - 73%
	Article 30 (1)(b)(v)(3)	Intra-system/cross-system split, meaning the breakdown between the revenue from intra-system network use at both entry points and exit points and the revenue from cross-system network use at both entry points and exit points calculated as set out in Article 5. <sup>o</sup>	Intra-system – 100% Cross-system – 0%
Difference in the level of transmission tariffs	Article 30 (1)(2)(a)(i)	Difference in the level of transmission tariffs for the same type of transmission service applicable for the prevailing tariff period and for the tariff period for which the information is published	Information available at <a href="#">section 2.6</a>
	Article 30 (1)(2)(a)(ii)	Estimated difference in the level of transmission tariffs for the same type of transmission service applicable for the tariff period for which the information is published and for each tariff period within the remainder of the regulatory period	Considering that the current regulation period started in July 2016 and ends in June 2019, estimates of differences in the level of transmission tariffs the remaining adjustment period are not published.
	Article 30 (1)(2)(b)	Simplified tariff model	<a href="#">Tariff model link</a>
Points excluded from the definition of relevant points	Article 30 (3)	Information on the amount of forecasted contracted capacity and the forecasted quantity of the gas flow shall	N.A There are no excluded points from the relevant points list

Note:

1 – See the presentation “[Portuguese energy regulatory framework for TSO allowed revenues](#)”

2 - Portuguese Information has link to all document published in Portuguese language ([Link](#) )

---

**ANNEX I**

<b>Description</b>	<b>Average rate of depreciation</b>
Land and natural resources	2,53%
Buildings and other constructions	2,57%
Basic Equipment	2,81%
Transport Equipment	15,70%
Tools and Utensils	17,04%
Office Equipment	15,43%
Other tangible fixed assets	0,05%