

The aim of this document is collecting different regulatory procedures and powers of the regulators with the view to identify the regulatory practice with network losses.

Method of data collection is a questionnaire.

General information:

1. Describe the structure of distribution use of system charge- commodity charge, capacity charge, standing charge or other (describe and give formulae). Is price for end-users given in cubic meters or energy delivered (in calorific value)?
2. Describe the method of regulation distribution use of a system charge- cost plus or incentive based (the difference between cost-plus and incentive regulation translates into a different treatment of losses. Under incentive regulation, losses are only a problem of the distribution company. The regulated tariff is not adjusted for losses, so higher gas losses mean higher cost and hence lower returns for the company. Under cost-plus regulation, losses need to be somewhat considered as acceptable cost by the regulator).
3. Are network losses included in maximum allowed revenue or not? Who is paying for the losses, system users to DSO via use of a system tariff or DSO pays to system users for gas lost? How is DSO reimbursed for losses?
4. Describe the methodology for losses calculation? Give formulae of they are applied? Are losses determined in percentages or in volumes (i.e.m³)? If calculated as difference between the quantities entering and exiting the system, can the result be negative?
5. Is benchmarking applied for determination of losses or for the determination of allowed losses? If yes with international or national data?
6. Approved level of losses determined for each and every company or uniquely the same losses for all companies?
7. Who is the owner of the gas in the grid, network operator or system users i.e. suppliers? Who is responsible for losses procurement?
8. Is illegal consumption defined by legislation? Is illegal consumption included or not in the network losses? (generally the definition of illegal consumption covers the "stealing method" of physical bypass of the meter and the manipulation of the meter. Unauthorized connection to the network, damage of the seal and/or the meter are other actions that can be included in the category of illegal consumption).
9. Define the reason for losses: pipe leaks, equipment damage, measurement errors, illegal consumption (theft)? Is there statistics or estimations how much is the share of each components in total losses of DSO? Is there obligation to submit to the regulator break down components of actual losses by DSO? Is there "allowable measurement error" defined in technical documents of your home country? And How much is it for different customer categories?
10. Are exceptions to determined rules possible when approving the losses and under what circumstances? Describe the exception cases.
11. Are DSOs entitled to financially recover all of the losses or not? Who decides on the amount of losses to be recovered? Give information of the amount of losses that are acceptable.
12. Give percentages for losses per DSO company (give approved losses per company) in 2014, 2015 (relation to length and material of the network, and status of metering devices)
13. Who defines (norms) for expected gas losses?
14. In process of price determination what losses are used- expected losses, calculated losses or actual losses? Transparency- is there a document defining the procedure for losses determination and determination of allowed losses?
15. Is information/comparison from previous years used?

16. Price for procurement of losses, determined on monthly or yearly basis. How is the price of the procured natural gas determined, is it competitive or regulated, or are losses defined for different pressure level?
17. Is there a quality of supply regulation introduced? If yes, does it include the regular control of the pipes and detection of leakages?