



**ENERGY COMMUNITY
REGULATORY BOARD**

**Analysis of the Consultation Document on
the Gas Transmission Tariff Structure for
Moldova**

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1. ECRB CONCLUSION

The National Agency for Energy Regulation of the Republic of Moldova ('ANRE') proposes to apply a capacity weighted distance ('CWD') reference price methodology ('RPM'), with the entry-exit split of 50%-50% and the equalization as adjustment to the RPM, whereby the same reference price is applied to all points within a homogeneous group of points. The groups of points are entry from neighboring transmission networks, exit to neighboring transmission networks and exit to domestic users. The entire allowed revenue is recovered through capacity charges, i.e. commodity charges are not proposed. Non-transmission charges are also not applied. ANRE also proposes implementing the conditional capacity product from the IP Causeni to the IP Grebeniki, with the discounted tariffs.

After having completed the analysis of the consultation document pursuant to Article 27(2) of Commission Regulation (EU) No 2017/460 establishing a network code on harmonized transmission tariff structures for gas ('Tariff Network Code')¹, the ECRB concludes the following:

- The consultation document includes most of the information required by Article 26(1) of the Tariff Network Code, with several notable exceptions. Firstly, the capacity forecasts should be provided for the period beyond 2025, always in kWh/h or kWh/day, including for the conditional capacity. Secondly, the assessment of the proposed RPM in accordance with Article 7 should be provided in a more detailed way. In particular the assessment against the requirements that (1) the RPM should take into account the actual costs incurred for the provision of transmission services considering the level of complexity of transmission network and (2) ensuring that the resulting reference prices do not distort cross-border trade should be provided. Finally, the comparison of tariffs for the prevailing tariff period and the tariff period for which the information is published is not presented in a numerical way. The simplified tariff model, as provided by ANRE, does not allow network users to estimate the possible evolution of tariffs beyond the tariff period.
- Regarding the application of conditional products with discounted tariffs, it should be explained how the limit of 5,300 MWh/day was set and why there is no daily product envisaged. Furthermore, it should be clarified that the conditions and tariffs are set for firm capacity products, as required by Article 4(2) of the Tariff Network Code.
- ANRE should provide details on the calculation of the allowed revenue of *Vestmoldtransgaz*. This is particularly important because *Vestmoldtransgaz* was certified as the Independent System Operator ('ISO') in 2024 and consequently took over the operation of the entire transmission network in the Republic of Moldova. The proposed allowed revenue of the ISO is substantially higher than the joint allowed revenue of *Moldovatransgaz* and *Vestmoldtransgaz* approved in 2023. In particular the information on the value of the regulatory asset base and the relevant calculation and estimation method should be provided,

¹ https://www.energy-community.org/dam/jcr:fd41a351-b04c-41a7-b7a5-89da4171aa17/Regulation_2017_460_TAR_NC.pdf

as well as the values of the formula elements for calculation of the weighted average cost of capital ('WACC') and the value of the resulting WACC. The ECRB notes that the allowed revenue of the TSO should reflect the efficiently incurred costs of the TSO, as required by Article 13 of Regulation (EC) 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks².

- ANRE should provide the reasons for the tariff increase in the period 2023-2025, with reference to the abovementioned increase in the allowed revenue and the fact that the total capacity used for the calculations in these two years decreased by only 1%.
- The simplified tariff model provided by ANRE enables users to reproduce the calculation of the reference prices. However, the RPM and the model do not allow accurate forecasts of transmission tariffs due to the lack of information on the forecasted allowed revenues in the next years. ECRB recommends ANRE to update the tariff model to allow calculation of tariffs beyond 2025 and to publish it on its web page.
- The proposed CWD methodology for tariff calculation contributes to the cost reflectivity of the resulting tariffs because it relies on cost factors such as capacity and distance. However, the resulting tariffs should be calculated based on the efficiently incurred costs. The ECRB recommends that ANRE revisits the calculation of the allowed revenue for 2025 with a view to ensuring that only efficiently incurred costs are recognized. Furthermore, in its motivated decision, ANRE should adequately justify the allowed revenue calculation and in that way increase the transparency of the tariff setting process.
- ECRB considers the proposed RPM compliant with the principle of non-discrimination since all network users in the same situation pay the same tariffs. The indicator resulting from the cost allocation assessment performed by ANRE is within the threshold of 10% and points out to the absence of cross- subsidization between intra-system and cross-system network use.
- Having in mind that less than 10% of total volumes are envisaged for cross-border transmission, there is no indication that significant volume risk will be assigned to final customers within the entry-exit system of Moldova. Still, taking into account that in the several previous years transport of gas via Trans-Balkan pipeline significantly decreased, it may be assumed that the final customers in Moldova already pay increased tariffs due to its underutilization. Therefore ANRE, in cooperation with other regulators in the countries on the Trans-Balkan route should consider whether and how it could be possible to increase its commercial attractiveness.
- The resulting reference prices are much higher than elsewhere in the neighborhood and on alternative cross-border transport routes, although the proposed implementation of the

² REGULATION (EC) 715/2009 as amended by Regulation of the European Parliament and of the Council (EU) 2022/1032 with regard to gas storage, incorporated and adapted by Permanent High Level Group Decision 2018/01/PHLG-EnC of 12 January 2018 and by Ministerial Council Decision 2011/02/MC-EnC of 6 October 2011 on the implementation of Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) 714/2009 and Regulation (EC) 715/2009 and amending Articles 11 and 59 of the Energy Community Treaty and by the Ministerial Council Decision No 2022/01/MC-EnC adapting and implementing the Regulation (EU) 2022/1032 with regards to gas storage. (<https://www.energy-community.org/dam/jcr:d0f7d046-57cb-479a-a39a-9bce06065155/Reg-715-2009.pdf>)

conditional capacity product offers a discount in the direction to Ukraine. Given the amount of the proposed reference prices and the absence of proof of their cost-reflectivity, the ECRB cannot conclude on the compliance of the proposed RPM with the requirement that the reference prices shall not distort cross-border trade.





2. Introduction

The Tariff Network Code was included in the Energy Community legislation by the Decision 2018/07/PHLG-EnC of the Permanent High Level Group of the Energy Community of 28 November 2018³. Article 27 of the Tariff Network Code requires the Energy Community Regulatory Board ('ECRB') to analyze the following aspects of the consultation documents:

- a) whether all the information referred to in Article 26(1) has been published;
- b) whether the elements consulted on in accordance with Article 26 comply with the following requirements:
 - 1) whether the proposed reference price methodology ('RPM') complies with the requirements set out in Article 7;
 - 2) whether the criteria for setting commodity-based transmission tariffs as set out in Article 4(3) are met;
 - 3) whether the criteria for setting non-transmission tariffs as set out in Article 4(4) are met.

ANRE launched the final public consultation on 21st March 2025. On 5th May, ANRE published the adjusted tariff consultation document as well as the updated transmission tariffs on its web site. Both consultation documents were forwarded to the ECRB and the present analysis refers to the latest documents.

This is the second ECRB analysis of the gas transmission tariff process in the Republic of Moldova. The first one was conducted in 2023, when the transmission system was operated by two TSOs- *Moldovatransgaz* and *Vestmoldtransgaz*. In 2024, ANRE certified *Vestmoldtransgaz* as the Independent System Operator of the entire gas transmission network in the country and established temporary transmission tariffs. The new tariff consultation process, in line with Tariff Network Code, has been launched in 2025.

This report is structured to respond to the requirements of Article 27 of the Tariff Network Code. It covers the analysis of completeness of the information published for consultation in Chapter 2 as well as the analysis of compliance of the reference price methodology with Article 7 of the Tariff Network Code. ANRE does not propose application of commodity-based tariffs nor tariffs for non-transmission services, therefore the compliance chapter does not refer to them.

³ https://www.energy-community.org/dam/jcr:d40b64ae-08d9-4eb1-b361-660bafdd5342/Decision_2018_07_PHLG-EnC_GasReg_112018.pdf

3. Completeness

Article 27(2)(a) of the Tariff Network Code requires the ECRB to analyze whether all the information referred to in Article 26(1) has been published.

Article 26(1) requires that the consultation document is published in English language, to the extent possible. ANRE published the consultation document in English language. However, the draft decision on tariffs, published on 5th May 2025, was available only in Romanian language.

Most of the information referred to in Article 26(1) of the Tariff Network Code was published, however with the following notable exceptions:

- 1) Article 26 (1)(a)(i): information on parameters used in the applied RPM that are related to the technical characteristics of the transmission system and the relevant justification are provided. However the information on forecasted capacity is available only for the calendar year 2025, which is not sufficient for the purpose of the annual capacity auction on 1st July. Furthermore, the capacity information should be provided in kWh/h or kWh/day. Having in mind that also the conditional capacity is envisaged for certain points, the relevant capacity forecasts as well as the information on flows (quantity and direction and related assumptions, such as demand and supply scenarios) should be made available.
- 2) Article 26(1)(a)(iv): the cost allocation driver "capacity" should be provided in kWh/h or kWh/day.
- 3) Article 26(1)(a)(v): Although ANRE implements CWD methodology in line with Article 8 of the Tariff Network Code, the assessment of the proposed RPM in accordance with Article 7 should be provided in a more detailed way. In particular the assessment against the requirements that (1) the RPM should take into account the actual costs incurred for the provision of transmission services considering the level of complexity of transmission network and (2) ensuring that the resulting reference prices do not distort cross-border trade should be provided.
- 4) Article 26(1)(d): the indicative information set out in Article 30(2) is explained, however the comparison of tariffs for the prevailing tariff period and the tariff period for which the information is published is not presented in a numerical way. The simplified tariff model, as provided by ANRE, does not allow network users to estimate the possible evolution of tariffs beyond the tariff period. In general, ANRE did not define the regulatory period in the sense of Article 3 of Tariff Network Code but announced that the tariff would be recalculated annually based on the methodology.

The abovementioned missing elements of the consultation document should be included in the motivated decision in terms of Article 27(4) of the Tariff Network Code, with a view to improving transparency of the process of transmission tariff determination.

Table 1 provides an overview on how the consultation document complies with the publication requirements.

Table 1 Checklist information Article 26(1)

Article	Information	Published: yes/no/not applicable
26(1)(a)	description of the proposed reference price methodology	yes
26(1)(a)(i) 26(1)(a)(i)(1) 26(1)(a)(i)(2)	the indicative information set out in Article 30(1)(a), including: (1) the justification of the parameters used that are related to the technical characteristics of the system; (2) the corresponding information on the respective values of such parameters and the assumptions applied.	partially
26(1)(a)(ii)	the value of the proposed adjustments for capacity-based transmission tariffs pursuant to Article 9	not applicable
26(1)(a)(iii)	the indicative reference prices subject to consultation	yes
26(1)(a)(iv)	the results, the components and the details of these components for the cost allocation assessments set out in Article 5	yes
26(1)(a)(v)	the assessment of the proposed reference price methodology in accordance with Article 7	partially
26(1)(a)(vi)	where the proposed reference price methodology is other than the capacity weighted distance reference price methodology detailed in Article 8, its comparison against the latter accompanied by the information set out in point (iii)	not applicable
26(1)(b)	the indicative information set out in Article 30(1)(b)(i), (iv), (v)	yes
26(1)(c)(i) 26(1)(c)(i)(1) 26(1)(c)(i)(2) 26(1)(c)(i)(3)	where commodity-based transmission tariffs referred to in Article 4(3) are proposed: (1) the manner in which they are set; (2) the share of the allowed or target revenue forecasted to be recovered from such tariffs;	not applicable

	(3) the indicative commodity-based transmission tariffs;	
26(1)(c)(ii)	where non-transmission services provided to network users are proposed:	not applicable
26(1)(c)(ii)(1)	(1) the non-transmission service tariff methodology therefor;	
26(1)(c)(ii)(2)	(2) the share of the allowed or target revenue forecasted to be recovered from such tariffs;	
26(1)(c)(ii)(3)	(3) the manner in which the associated non-transmission services revenue is reconciled as referred to in Article 17(3);	
26(1)(c)(ii)(4)	(4) the indicative non-transmission tariffs for non-transmission services provided to network users;	
26(1)(d)	the indicative information set out in Article 30(2);	partially
26(1)(e)	where the fixed payable price approach referred to in Article 24(b) is considered to be offered under a price cap regime for existing capacity:	not applicable
26(1)(e)(i)	(i) the proposed index;	
26(1)(e)(ii)	(ii) the proposed calculation and how the revenue derived from the risk premium is used;	
26(1)(e)(iii)	(iii) at which interconnection point(s) and for which tariff period(s) such approach is proposed;	
26(1)(e)(iv)	(iv) the process of offering capacity at an interconnection point where both fixed and floating payable price approaches referred to in Article 24 are proposed.	

The currently applicable RPM is part of the *Methodology for approving and applying the tariffs for the natural gas transmission service*, adopted by ANRE Decision no. 535/2019 ('Methodology'), and amended in June 2023, by ANRE Decision 382/2023.

The tariffs are calculated by using the CWD RPM, whereby the **entry-exit split** is predefined to 50%-50%. Adjustments to the application of the RPM to all entry and exit points are made by means of **equalization** whereby the same reference price is applied to all points within a homogeneous group of points.

For the purpose of equalization, the points of the TSOs' transmission networks are grouped as follows:

- 1) The group of entry points into the natural gas transmission network from the interconnection with the natural gas transmission networks of the neighboring states
- 2) The group of exit points from the natural gas transmission network to the natural gas transmission networks of interconnected neighboring states
- 3) The group of exit points from the natural gas transmission network to the natural gas distribution networks and/or natural gas facilities of the final customers connected to the gas transmission network

The entire allowed revenue is recovered through capacity charges, i.e. commodity charges are not proposed. Non-transmission charges are also not applied.

ANRE proposes application of **conditional products** with discounted tariffs. These products may be used if the set of predefined condition are met, one of them being that the capacity product must be on annual, quarterly or monthly basis and at least equal to 5,300 MWh/day. There is no explanation provided for how the limit of 5,300 MWh/day was set nor why there is no daily product envisaged. Furthermore, it is not clear whether the conditions and tariffs are set for firm capacity products, as required by Article 4(2) of Tariff Network Code. Finally, the tariffs for conditional capacity should be expressed in the same units as other tariffs, in kWh/h or kWh/day.

The **multipliers** for non-yearly standard capacity products are set within the range required by Article 13 of Tariff Network Code. The application of seasonal factors is not envisaged. The levels of multipliers were consulted with the national regulatory authorities of Romania and Ukraine, in line with Article 28 of Tariff Network Code.

Table 2 Multipliers for non-yearly standard capacity products (source: ANRE Consultation document)

Capacity product	Multiplier
Quarterly	1.05
Monthly	1.10
Daily	1.15
Intra-Day	1.15

Allowed revenue

The allowed revenue is calculated based on Methodology and the summary of the basic elements is presented as part of the consultation document. In addition to standard cost categories, the allowed revenue also accounts for the costs of lease agreement (*Moldovatrangaz* depreciation and profitability), costs of maintenance contract (*Moldovatrangaz* basic costs) as well as the cost of using gas networks located in the Transnistrian region. Furthermore, the under-recovery of the previous tariff period, the so-called corrective component, is also included in the allowed revenue.

While all these categories are eligible elements of the TSO's allowed revenue calculation, ANRE should clarify in a more detailed way how the costs associated with these elements have been determined. This is particularly important taking into account the difference between the amounts of the allowed revenues for *Moldovatrangaz* and *Vestmoldtrangaz* approved in 2023 on one side, and the amount of allowed revenue approved for *Vestmoldtrangaz* in 2025 on the other. Namely, in 2023, the joint allowed revenue of two companies was set to around 31 million EUR and the allowed revenue of *Vestmoldtrangaz* in 2025 to 47,2 million EUR. Even if the average inflation rates in the Republic of Moldova in 2023 and 2024⁴ are accounted for, the difference remains substantial and requires explanation. Also, the value of the regulatory asset base and the relevant calculation and estimation method should be provided, as well as the values of the formula elements for calculation of the weighted average cost of capital ("WACC") and the value of the resulting WACC. Currently, the consultation document stipulates the amount of profit-around 8,3 million EUR, without the underpinning calculation. The ECRB notes that the allowed revenue of the TSO should reflect the efficiently incurred costs of the TSO, as required by Article 13 of Regulation (EC) 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks. The provision and justification of all elements listed above should enable transparency of the tariff setting process and is required by Article 30(1)(b) of Tariff Network Code.

Resulting reference prices

The reference prices resulting from the proposed RPM are presented in the table below.

⁴ <https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG?end=2024&locations=MD&start=2012>

Table 3 Reference prices resulting from the RPM (Source: ANRE Consultation document)⁵

Booking prices for firm capacity products											
Points	Destination	WCE ⁿ	Revenue		Capacity			Tariff			
			mln lei	m ³ /h	m ³ /day	tWh/h/year	Wh/d/year	lei/1000m ³ /h year	lei/1000m ³ /d year	lei/MWh/h/y	lei/MWh/d/y
1. The group of entry points into the natural gas transmission network from the interconnection with the gas transmission networks of neighboring states	Entry	50.0%	470.13	199,786	4,794,861	2,108	50,586	2,353,158	98,048	223,048	9,294
2. The group of exit points from the natural gas transmission network to the gas transmission networks of interconnected neighboring states	Exit	11.9%	55.99	18,442	442,619	195	4,670	3,035,821	126,493	287,756	11,990
3. The group of exit points from the natural gas transmission network to the natural gas distribution networks and/or natural gas equipment of the final consumers connected to the natural gas transmission network	Exit	88.1%	414.14	181,343	4,352,242	1,913	45,916	2,283,732	95,156	216,468	9,019

The comparison of the currently proposed reference prices with those set in 2023 and 2024 is provided in the table below.

Table 4 Comparison of reference prices in the years 2023, 2024 and 2025, lei/MWh/h/y (Source: ANRE Consultation documents 2023 and 2025, ANRE web page for 2024. ECRB calculations)

Points	2023	2024	2025	Increase 2023/2025
lei/MWh/h/y				
Entry from IPs	141,184	267,766	223,048	58%
Exit to IPs	148,617	309,625	287,756	94%
Exit to distribution and directly connected final consumers	136,504	257,385	216,468	59%

ECRB notes that ANRE should explain what the reasons behind the tariff increase in the period 2023-2025 are, since the total capacity used for the calculations in these two years decreased by only 1%.

⁵ 1 MDL LEI = 0.051 EUR

5. COMPLIANCE

5.1 Compliance of the RPM with Article 7 of the Tariff Network Code

Article 27(2)(b)(1) of the Tariff Network Code tasks ECRB to analyze whether the reference price methodology proposed by ANRE complies with the requirements set out in Article 7 of the same code. This article refers to Article 13 of Regulation (EC) 715/2009 and includes the requirements that should be considered when preparing the RPM. The following analysis focuses on the five elements of Article 7 of the Tariff Network Code, as they mirror the requirements of the Regulation (EC) 715/2009.

- a) RPM enabling network users to reproduce the calculation of the reference prices and their accurate forecast

The simplified tariff model allows calculation of the reference prices in relation to total joint revenue of the TSOs and the volume booked. However forecasts of the allowed revenue or its elements for the following years are not provided. The methodology proposed by ANRE states that the tariffs are determined based on the approved base costs for five years, to be revised annually, to take into account the annual reconciliation of the allowed revenue. However, the information on how the reconciliation i.e. correction element is calculated is not provided. In the consultation document, ANRE explains that annual revision of tariffs is based on the *indicators for updating the forecast of regulated revenues, the most essential being the evolution of the gas infrastructure, macroeconomic indicators that influence the level of regulated costs and of course the evolution of the capacities that will be contracted by the users of the transport system. Given the lack of major fluctuations in the contracted capacities during the regulatory period, there is high probability that the values of the transmission tariffs will change in correlation with the macroeconomic indicators forecasted and actually recorded in the subsequent tariff periods.* Also, in the tariff consultation process, ANRE did not provide the information on the base costs approved for five years.

Based on the above, ECRB concludes that the simplified tariff model enables users to reproduce the calculation of the reference prices. However, the RPM and the model do not allow accurate forecasts of transmission tariffs due to the lack of information on the forecasted allowed revenues in the next years. ECRB recommends ANRE to update the tariff model to allow calculation of tariffs beyond 2025 based on all relevant inputs. Furthermore, it is recommended that the model is published on ANRE web page in the format allowing the calculation⁶.

- b) RPM taking into account the actual costs incurred for the provision of transmission services considering the level of complexity of the transmission network

The RPM proposed by ANRE is based on the CWD methodology envisaged by Article 8 of the Tariff Network Code. The transmission tariffs calculated based on the CWD methodology are then adjusted by

⁶ ANRE provided such a model to the ECRB.

means of equalization, as allowed by Article 6(4). The ECRB notes that the proposed methodology is appropriate for the Moldovan transmission network based on its characteristics.

In its tariff consultation document, ANRE argues that the RPM provides a high degree of cost reflectivity because it relies on cost factors such as capacity and distance. Theoretically, ECRB concurs with this, as it is the clear requirement of the Tariff Network Code to use the capacity weighted distance methodology as a default methodology, but the resulting tariffs should be calculated based on the efficiently incurred costs as required by Article 13 of Regulation (EC) 715/2009 of 13 July 2009 (see Chapter 4). The consultation document does not provide sufficient information on the calculation of allowed revenue to allow for conclusion that the RPM is compliant with the requirement on cost-reflectivity. The ECRB recommends that ANRE revisits the calculation of the allowed revenue for 2025 with a view to ensuring that only efficiently incurred costs are recognized. Furthermore, in its motivated decision, ANRE should adequately justify the allowed revenue calculation (the elements listed in Chapter 4) and in that way increase the transparency of the tariff setting process.

- c) RPM ensuring non-discrimination and preventing undue cross-subsidization including by taking into account the cost allocation assessment set out in Article 5 of the tariff Network Code

ECRB considers the proposed RPM compliant with the principle of non-discrimination since all network users in the same situation pay the same tariffs.

According to Article 5(2) of the Tariff Network Code, the cost allocation assessment shall indicate the degree of cross- subsidization between intra-system and cross-system network use based on the proposed RPM. If the capacity cost allocation assessment results in the index referred to in Article 5(3)(c) higher than 10%, the regulatory authority should provide the justification of such result, as it indicates a higher level of cross-subsidization.

ECRB notes that the result of the cost allocation assessment performed by ANRE is within the threshold of 10% (the comparison index is 8.06%). Therefore, no additional justification is needed.

- d) RPM ensuring that significant volume risk related particularly to transports across an entry-exit system is not assigned to final customers within the entry-exit system

The tariff consultation document specifies that around 161.5 mcm will be transported across the entry-exit system of Moldova, in comparison to around 1.6 bcm transported for domestic use. Having in mind that less than 10% of total volumes are envisaged for cross-border transmission, there is no indication that significant volume risk will be assigned to final customers within the entry-exit system of Moldova.

Although the consultation document does not provide information on the asset value of Trans-Balkan pipelines and how it was accounted for in the allowed revenue calculation, and having in mind that in the several previous years transport of gas via this pipeline significantly decreased, it may be assumed that the final customers in Moldova already pay increased tariffs due to underutilization of the mentioned cross-system pipelines. Therefore ANRE, in cooperation with other NRAs in the countries on the Trans-

Balkan route should consider whether and how it could be possible to increase its commercial attractiveness.

e) RPM ensuring that the resulting reference prices do not distort cross-border trade

In its tariff consultation, ANRE points out that the RPM does not aim at distorting cross-border trade, *and actually aims at attracting additional network users*. It is however not substantiated how the RPM should achieve this. The resulting reference prices are much higher than elsewhere in the neighborhood and on alternative cross-border transport routes⁷.

The proposed implementation of the conditional capacity product from the IP Causeni (entry) to the IP Grebeniki (exit) indeed offers a discount in the direction to Ukraine and may facilitate the usage of Ukrainian vast storage capacity, however there is no clarity whether the capacity is offered on a firm basis, as required by the Tariff Network Code, nor is a discount applicable in the opposite direction. The National Energy and Utilities Regulatory Commission of Ukraine, in its letter to the ECRB, recommends exploring the possibility of introducing a conditional firm capacity for the north-south direction in the Republic of Moldova.

The ECRB emphasizes that ensuring tariffs are cost-reflective is one of the most effective mechanisms against potential distortions in cross-border trade. As mentioned in Chapter 5(b), the consultation document does not provide sufficient information on the calculation of allowed revenue to allow for conclusion that the RPM is compliant with the requirement on cost-reflectivity. Given the amount of the proposed reference prices and the absence of proof of their cost-reflectivity, the ECRB cannot conclude on the compliance of the proposed RPM with the requirement that the reference prices shall not distort cross-border trade.

5.2 Compliance of the criteria for setting commodity-based transmission tariffs as with requirements of Article 4(3)

ANRE proposes not to apply commodity-based transmission tariffs. The criteria for setting commodity-based transmission tariffs as set out in Article 4(3) are therefore not applicable.

5.3 Compliance of criteria for setting non-transmission tariffs with requirements of Article 4(4)

The ECRB notes that non-transmission services are not offered in Moldova and therefore the criteria for setting non-transmission tariffs are not relevant.

⁷ [https://www.energy-community.org/dam/jcr:a20019d3-be6e-47d1-9c15-0217f737db8d/TBP%20Initial%20Findings%20Summary%20\(SEEGAS%20conference%203.4.2025\)%20v2.pdf](https://www.energy-community.org/dam/jcr:a20019d3-be6e-47d1-9c15-0217f737db8d/TBP%20Initial%20Findings%20Summary%20(SEEGAS%20conference%203.4.2025)%20v2.pdf)



ANNEX I – LEGAL BACKGROUND

Tariff Network Code

Article 27

1. Upon launching the final consultation pursuant to Article 26 prior to the decision referred to in Article 27(4), the national regulatory authority or the transmission system operator(s), as decided by the national regulatory authority, shall forward the consultation documents to the Energy Community Regulatory Board.

2. The Energy Community Regulatory Board shall analyse the following aspects of the consultation document:

- (a) whether all the information referred to in Article 26(1) has been published;
- (b) whether the elements consulted on in accordance with Article 26 comply with the following requirements:
 - (1) whether the proposed reference price methodology complies with the requirements set out in Article 7;
 - (2) whether the criteria for setting commodity-based transmission tariffs as set out in Article 4(3) are met;
 - (3) whether the criteria for setting non-transmission tariffs as set out in Article 4(4) are met.

3. Within two months following the end of the consultation referred to in paragraph 1, the Energy Community Regulatory Board shall publish and send to the national regulatory authority or transmission system operator, depending on which entity published the consultation document, and the Energy Community Secretariat the conclusion of its analysis in accordance with paragraph 2 in English.

The Energy Community Regulatory Board shall preserve the confidentiality of any commercially sensitive information.

4. Within five months following the end of the final consultation, the national regulatory authority, acting in accordance with Article 41(6)(a) of Directive 2009/73/EC, shall take and publish a motivated decision on all items set out in Article 26(1). Upon publication, the national regulatory authority shall send to the Energy Community Regulatory Board and the Energy Community Secretariat its decision.

5. The procedure consisting of the final consultation on the reference price methodology in accordance with Article 26, the decision by the national regulatory authority in accordance with paragraph 4, the calculation of tariffs on the basis of this decision, and the publication of the tariffs in accordance with Chapter VIII may be initiated as from the entry into force of this Regulation and shall be concluded no later than 31 May 2021. The requirements set out in Chapters II, III and IV shall be taken into account in this procedure. The tariffs applicable for the prevailing tariff period at 31 May 2021 will be applicable

until the end thereof. This procedure shall be repeated at least every five years starting from 31 May 2021.

Article 26 (1)

1. One or more consultations shall be carried out by the national regulatory authority or the transmission system operator(s), as decided by the national regulatory authority. To the extent possible and in order to render more effective the consultation process, the consultation document should be published in the English language. The final consultation prior to the decision referred to in Article 27(4) shall comply with the requirements set out in this Article and Article 27, and shall include the following information:

- (a) the description of the proposed reference price methodology as well as the following items:
 - (i) the indicative information set out in Article 30(1)(a), including:
 - (1) the justification of the parameters used that are related to the technical characteristics of the system;
 - (2) the corresponding information on the respective values of such parameters and the assumptions applied.
 - (ii) the value of the proposed adjustments for capacity-based transmission tariffs pursuant to Article 9;
 - (iii) the indicative reference prices subject to consultation;
 - (iv) the results, the components and the details of these components for the cost allocation assessments set out in Article 5;
 - (v) the assessment of the proposed reference price methodology in accordance with Article 7;
 - (vi) where the proposed reference price methodology is other than the capacity weighted distance reference price methodology detailed in Article 8, its comparison against the latter accompanied by the information set out in point (iii);
- (b) the indicative information set out in Article 30(1)(b)(i), (iv), (v);
- (c) the following information on transmission and non-transmission tariffs:
 - (i) where commodity-based transmission tariffs referred to in Article 4(3) are proposed:
 - (1) the manner in which they are set;
 - (2) the share of the allowed or target revenue forecasted to be recovered from such tariffs;
 - (3) the indicative commodity-based transmission tariffs;

- (ii) where non-transmission services provided to network users are proposed:
 - (1) the non-transmission service tariff methodology therefor;
 - (2) the share of the allowed or target revenue forecasted to be recovered from such tariffs;
 - (3) the manner in which the associated non-transmission services revenue is reconciled as referred to in Article 17(3);
 - (4) the indicative non-transmission tariffs for non-transmission services provided to network users;
- (d) the indicative information set out in Article 30(2);
- (e) where the fixed payable price approach referred to in Article 24(b) is considered to be offered under a price cap regime for existing capacity:
 - (i) the proposed index;
 - (ii) the proposed calculation and how the revenue derived from the risk premium is used;
 - (iii) at which interconnection point(s) and for which tariff period(s) such approach is proposed;
 - (iv) the process of offering capacity at an interconnection point where both fixed and floating payable price approaches referred to in Article 24 are proposed.

Article 30 (2)

In addition, the following information shall be published with regard to transmission tariffs:

- (a) explanation of the following:
 - (i) the 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;
 - (ii) the 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.
- (b) at least a simplified tariff model, updated regularly, accompanied by the explanation of how to use it, enabling network users to calculate the transmission tariffs applicable for the prevailing tariff period and to estimate their possible evolution beyond such tariff period.

Article 7

The reference price methodology shall comply with Article 13 of Regulation (EC) No 715/2009 and with the following requirements. It shall aim at:

- (a) enabling network users to reproduce the calculation of reference prices and their accurate forecast;
- (b) taking into account the actual costs incurred for the provision of transmission services considering the level of complexity of the transmission network;
- (c) ensuring non-discrimination and prevent undue cross-subsidisation including by taking into account the cost allocation assessments set out in Article 5;
- (d) ensuring that significant volume risk related particularly to transports across an entry-exit system is not assigned to final customers within that entry-exit system;
- (e) ensuring that the resulting reference prices do not distort cross-border trade.

Regulation (EC) No 715/2009

Article 13

1. Tariffs, or the methodologies used to calculate them, applied by the transmission system operators and approved by the regulatory authorities pursuant to Article 41(6) of Directive 2009/73/EC, as well as tariffs published pursuant to Article 32(1) of that Directive, shall be transparent, take into account the need for system integrity and its improvement and reflect the actual costs incurred, insofar as such costs correspond to those of an efficient and structurally comparable network operator and are transparent, whilst including an appropriate return on investments, and, where appropriate, taking account of the benchmarking of tariffs by the regulatory authorities. Tariffs, or the methodologies used to calculate them, shall be applied in a non-discriminatory manner.

Contracting Parties may decide that tariffs may also be determined through market-based arrangements, such as auctions, provided that such arrangements and the revenues arising therefrom are approved by the regulatory authority.

Tariffs, or the methodologies used to calculate them, shall facilitate efficient gas trade and competition, while at the same time avoiding cross-subsidies between network users and providing incentives for investment and maintaining or creating interoperability for transmission networks.

2. Tariffs for network users shall be non-discriminatory and set separately for every entry point into or exit point out of the transmission system. Cost-allocation mechanisms and rate setting methodology regarding entry points and exit points shall be approved by the national regulatory authorities. By 3 September 2011, the Contracting Party shall ensure that, after a transitional period, network charges shall not be calculated on the basis of contract paths.

Tariffs for network access shall neither restrict market liquidity nor distort trade across borders of different transmission systems. Where differences in tariff structures or balancing mechanisms would hamper trade across transmission systems, and notwithstanding Article 41(6) of Directive 2009/73/EC, transmission system operators shall, in close cooperation with the relevant national authorities, actively pursue convergence of tariff structures and charging principles, including in relation to balancing.

ANNEX II – list of abbreviations

Abbreviation	Definition
ECRB	Energy Community Regulatory Board
ANRE	The National Agency for Energy Regulation of the Republic of Moldova
CWD	Capacity weighted distance
ISO	Independent system operator
RPM	Reference price methodology
TSOs	Transmission system operators