

DECISION No. 1250/13.11.2006
amending the Criteria and methods for approval of natural gas prices and establishment of regulated natural gas tariffs, approved by Decision No. 1.078/2003 of the president of the National Natural Gas Regulatory Authority

On the basis of the provisions of art. 8, let. 1), and of art. 10 par. (4) and (5) of the Gas Law No. 351/2004, with subsequent amendments,

the president of the National Natural Gas Regulatory Authority issues the present decision.

Art. I. – The annex to Decision No. 1.078/2003 of the president of the National Natural Gas Regulatory Authority approving the Criteria and methods for approval of natural gas prices and establishment of regulated natural gas tariffs, published in Romania's Monitorul Oficial, Part I, No. 40 of 19 January 2004, is amended as follows:

1. Paragraph (1) of article 41 will have the following contents:

„Art. 41. – (1) The unitary fixed amount aimed at covering the costs of natural gas purchase is estimated based on the following:

- forecast of the total natural gas demand, the demand of final customers, related to regulated supply;
- forecast of the natural gas sources, domestic and import, needed for meeting the total demand;
- forecast of the share of natural gas meant for re-sale within the regulated supply, and which will be transported and/or stored;
- forecast of the evolution of prices for purchase of natural gas from import, including customs taxes and other taxes of this kind;
- forecast of the evolution of prices for purchase of natural gas from domestic production, in relation with Romania's energy policy;
- transmission and underground storage tariffs;
- taxes on domestic natural gas.”

2. A new paragraph, paragraph (3) is inserted after paragraph (2) of article 41, with the following contents:

“(3) The unitary fixed amount aimed at covering the costs of natural gas purchase does not include excise duties. Excise duties are calculated and inserted separately in the bill of natural gas purchase, issued for the final customer by its supplier, in compliance with the methodology drafted by the Ministry of Public Finances.”

3. A new point, point 3, is inserted after point 2 of paragraph (1) of article 100, with the following contents:

“3. excise duties paid by natural gas operators are not recognized in the costs directly taken over (CDT).”

4. Article 101 will have the following contents.

“Art. 101. – (1) ANRGN is entitled turn down operators on recognizing certain costs or shares of costs, other than the ones previously mentioned, which have not been cautiously made, taking into account the conditions and information available at the time they were incurred.

(2) With a view to promoting competition on the natural gas market, under fully justified circumstances, regulated operators may ask ANRGN to apply, when substantiating the basic revenue, flexible methods for recovering the costs recognized by the present criteria and methods.”

5. Article 125 will have the following contents:

“Art. 125. – ANRGN makes public, at least 3 months prior to the beginning of each regulatory period, the calculation and equalisation formula, as well as the no risk-assets taken into consideration when determining WACC.”

Art. II. – Specialised departments within the National Natural Gas Regulatory Authority, as well as licensed natural gas operators have the obligation to enforce the provisions of the present decision.

Art. III. - The present decision will be published in Romania’s Monitorul Oficial, Part I.

**President of the National Natural Gas Regulatory Authority,
Stefan Cosmeanu**