Tariff Design and Allocation of Allowed Revenues to Customer Categories

Roundtable input by North Macedonia
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Consumer Groups

- *The NG market in N. Macedonia is fully liberalized since 2015*
- *ERC sets only the tariffs for transmission and distribution*

- *For the transmission tariff there are three categories:*
  - *CHP*
  - *Heat plants and industrial consumers*
  - *Small consumers with 150.000 nm3 or less consumption*

- *The distribution tariff is the same for all categories, although there is a possibility for different tariff for CHP, heat plants, households and other consumers*

TSO Tariff Design & Cost Allocation

- *First, the costs are allocated between capacity and quantities according to the Transmission tariff methodology*

- *The quantities share is then allocated on exit points between the different types of consumers using the formula*

$$T_{q,j} = c_{q,j} \cdot T_q$$

- $T_{q,j}$ *is the tariff for the specific category, derived from the average tariff T_q and the coefficient for consumers of the category $c_{q,j}$*

- *The coefficients for the categories are 1 (CHP), 1.1(heat plants) and 1.15 (small consumers)*

DSO Tariff Structure

- *For the DSO the method for allocating allowed revenues to customer categories is described in the Tariff methodology for the DSO*
- *At the moment all the consumers on DSO have the same tariff*
- *According to the Tariff methodology for distribution there is a possibility to introduce different tariffs for distribution for the following categories:*
  - *CHP*
  - *Heat plants*
  - *Households*
  - *Others*

Allocating CAPEX and OPEX

What are the criteria of allocating CAPEX and OPEX? Which physical parameters are taken as reference?

- *Both CAPEX and OPEX are distributed equally to consumers according to the quantities transmitted, no matter what is the distance in the network*

THANK YOU
FOR YOUR ATTENTION!

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