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# NG DSO Tariff Structure

Roundtable input by \*Latvia\*  
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**ERRA Natural Gas Markets and Economic Regulation Committee**

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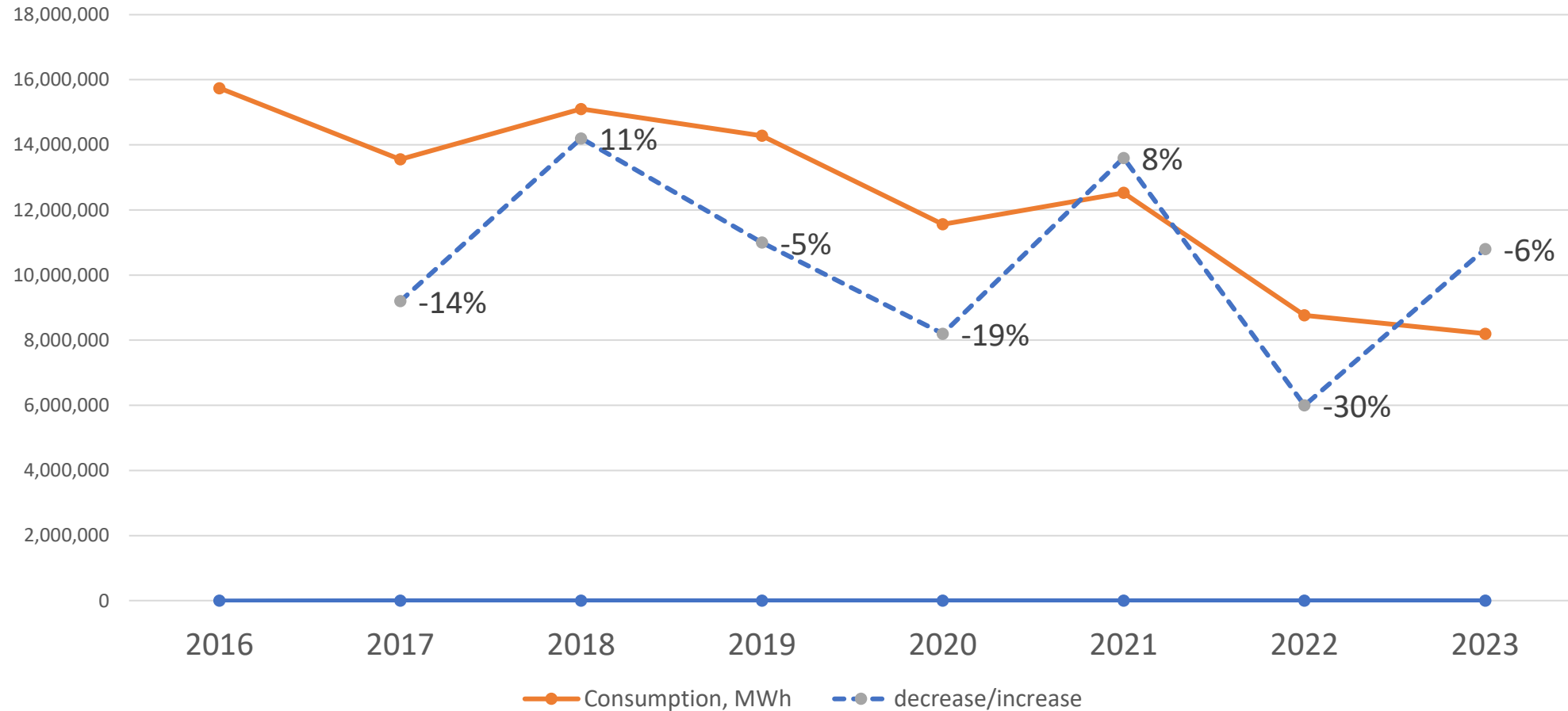
# LV DSO infrastructure



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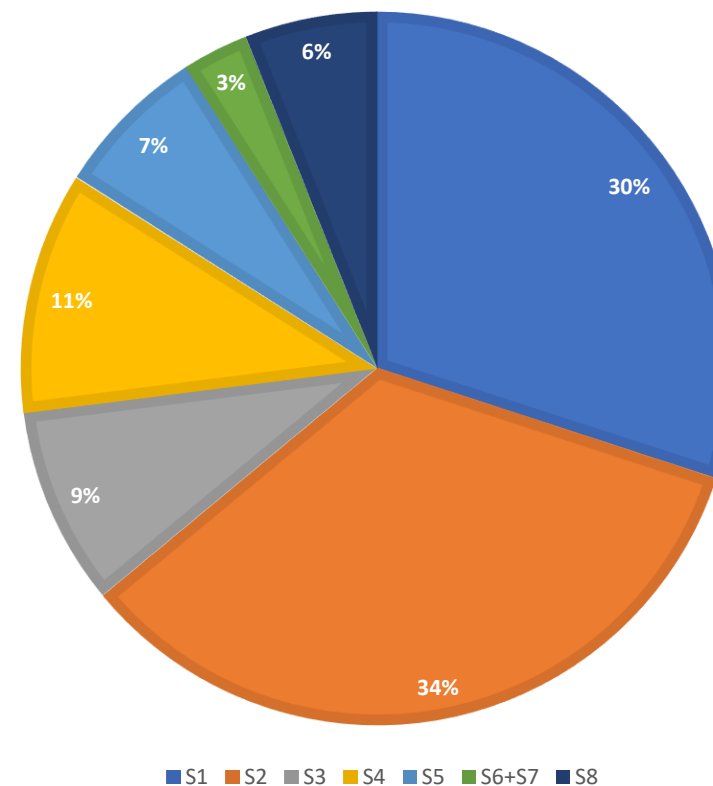
# Gas consumption



## ***DSO tariff structure:***

- *Variable part tariff consists of 7 groups*
- *Sezonal tariff consists of 3 groups*
- *Fixed part tariff consists of 8 groups*

**COST ALLOCATION IN GAS TARIFF GROUPS, YEAR 2024**



# Diferental tariff – variable part

		Tariff	Sezonal tariff	
1.	till 2 635 kWh	28,0907	-	EUR/MWh
2.	from 2 635,1 till 263 450 kWh	12, 1219	14,5664	EUR/MWh
3.	from 263 450,1 till 1 327 788 kWh	9,2978	13,5645	EUR/MWh
4.	from 1 327 788,1 till 13 277 880 kWh	6,1972	8,6319	EUR/MWh
5.	from 13 277 880,1 till 132 778 800 kWh	4,0262		EUR/MWh
6.	from 132 778 800,1 till 1 353 800 000 kWh	2,0085		EUR/MWh
7.	above 1 353 800 001 kWh	0,4013		EUR/MWh

# Diferential tariff – fixed part



## Tariff fixed part (allowed loads)

till 6 m <sup>3</sup> /h	55,44	EUR/year
till 6,1 from 10 m <sup>3</sup> /h	147,72	EUR/year
till 10,1 from 16 m <sup>3</sup> /h	231,48	EUR/year
till 16,1 from 25 m <sup>3</sup> /h	346,80	EUR/year
till 25,1 from 40 m <sup>3</sup> /h	482,16	EUR/year
till 40,1 from 65 m <sup>3</sup> /h	808,8	EUR/year
above 65 m <sup>3</sup> /h	9,48	EUR/m <sup>3</sup> /h/year

# ***Fixed, variable component***



	DSO Tariff, 2024						
	S1	S2	S3	S4	S5	S6	S7
Proportion of variable payment costs, %	2%	77%	82%	78%	85%	68%	33%
Proportion of fixed payment costs, %	98%	23%	18%	20%	15%	32%	67%
Proportion of seasonal payment costs, %		0,1%	0,7%	2,2%			

***The current tariffs were approved in 2021 for 54 months period (tariff period 12 months) and were last revised at the end of 2023. Tariffs has been increased from the January 1, 2024.***

- The changes to the existing tariffs are due to the increase of the price of natural gas and decrease of natural gas consumption (decreased about 30% in 2022)
- Changes from January 1, 2024: DSO tariff variable part increased by 0 % - 59%, fixed part from 10 % - 40 %



# *The main changes*

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- Revision was necessary due to changes in the user pattern (decrease of consumption);
- Updated cost distribution drivers included in the approved cost allocation methodology (in the tariff calculation) - number of objects, loads, volumes of natural gas transferred to users, pressures of natural gas pipelines and length of natural gas pipelines
- Increased share of fixed fee - from 34,7% till 40,6% (decreased variable tariff part)

# The number of users and consumption in each tariff group

Tariff groups	Number of users	Planned gas consumption 2021, GWh	Planned consumption 2024, GWh	Decrease
S1	>300K	167	146	-13%
S2	>60K	1666	1582	-5%
S3	806	601	552	-8%
S4	223	1212	955	-21%
S5	33	1761	1038	-41%
S6	2	510	308	-40%
S7	1	1931	523	-73%
S8	1	5661	3377	-40%



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**THANK YOU  
FOR YOUR ATTENTION!**

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