

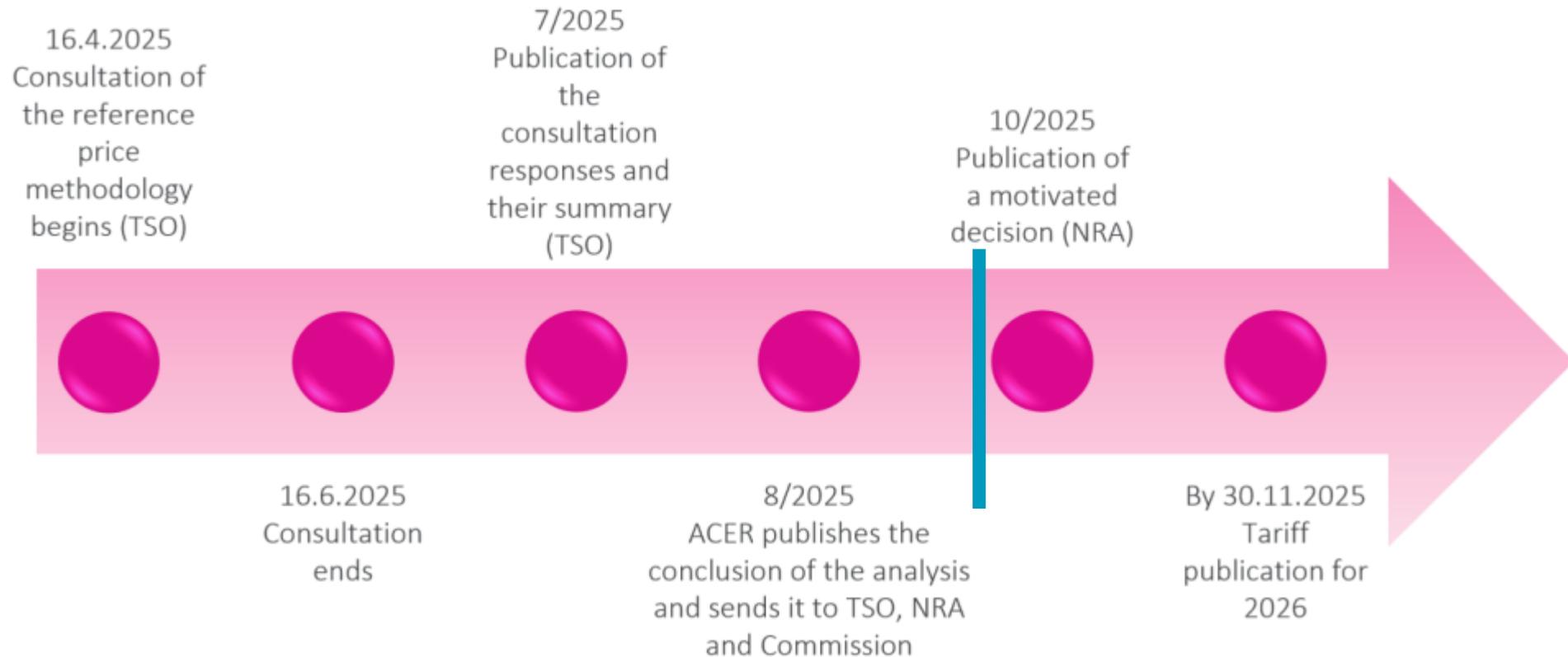


TRANSMITTING
energy.

Agenda

- Schedule
- Transmission tariff structure
- Capacity Subscription Charge as part of the tariff methodology
- Strategic Aspects of Transmission Pricing
- The detailed description of the Capacity Subscription Charge
 - Determination of the Capacity Subscription Charge
 - Notification of the estimated capacity subscription
 - Initial and final invoicing
 - Changes in delivery relationships during review year
- Q&A

Tariff methodology approval process for the tariff period 2026



Gasgrid aims to publish the final transmission tariffs as soon as possible after the Finnish Energy Authority has confirmed the tariff methodology!

Finnish Energy Authority (Energiavirasto) organizes public consultation regarding tariff methodology

- Consultation is open between 6.10. – 24.10.2025
- Gasgrid proposes continuing applying postage stamp with ITC agreement hybrid tariff model
- Proposed tariffs and capacity product multipliers for 2026 are presented in the table
- Gasgrid has proposed introducing a new tariff component, Capacity Subscription Charge from the beginning of 2026
 - Unit price for Capacity Subscription Charge = 1730,40 €/MW
- Gasgrid aims to publish the final tariffs as soon as possible after final confirmation from the Finnish Energy Authority
 - Final tariffs will be published latest 30.11.2025

Firm capacity products

| The price of yearly capacity product (= reference price) | |
|--|--|
| Entry capacity | |
| Balticconnector | – €/kWh/day/year |
| Biogas virtual entry point | 0,14277 €/kWh/day/year (0,39115 €/MWh) |
| Hamina LNG entry point | 0,14277 €/kWh/day/year |
| Imatra | 0,14277 €/kWh/day/year |
| Inkoo LNG entry point | 0,14277 €/kWh/day/year |
| Exit capacity | |
| Balticconnector | – €/kWh/day/year |
| Finnish exit zone | 1,31283 €/kWh/day/year (3,59679 €/MWh) |

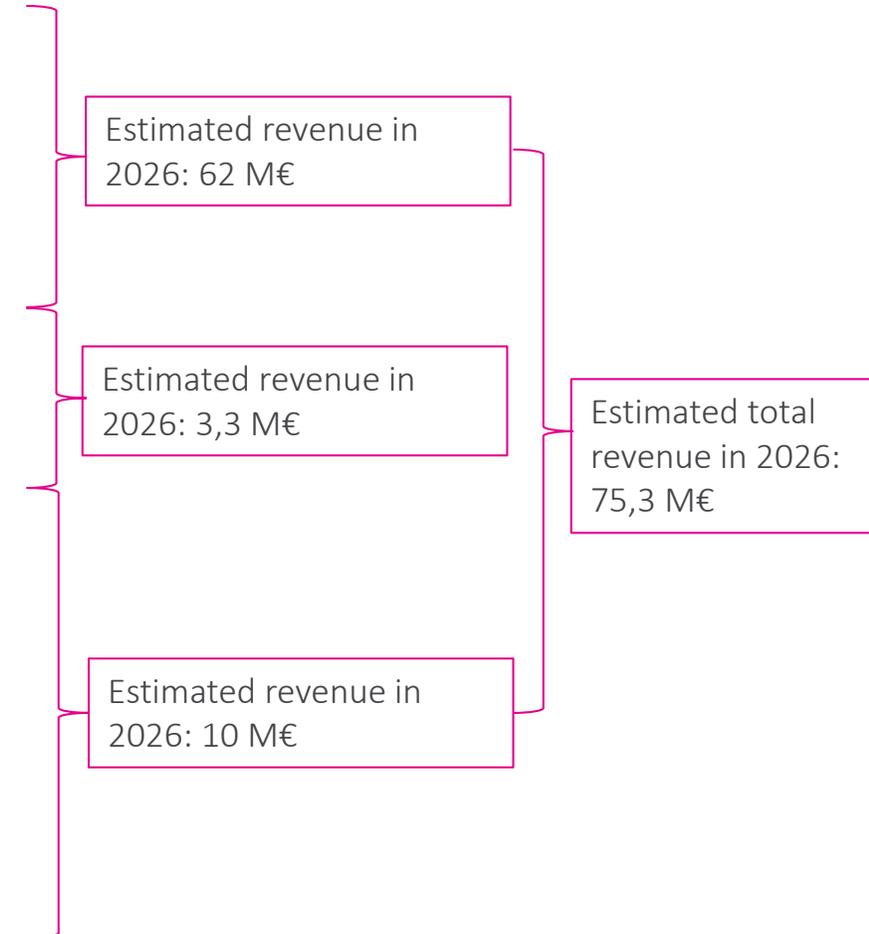
| The price of short-term entry capacity products | |
|---|--------------------|
| Capacity product | Tariff multiplier |
| Year (= reference price) | 1,00 |
| Quarter | 1,10 |
| Month | 1,25 |
| Day | 1,50 |
| Within-day | 1,70 |
| Capacity overrun | 1,50 x 1,70 = 2,55 |

| The price of short-term exit capacity products | |
|--|-------------------|
| Capacity product | Tariff multiplier |
| Year (= reference price) | 1,00 |
| Quarter | 1,10 |
| Month | 1,25 |
| Day | 2,0 |
| Within-day | 2,50 |
| Capacity overrun | 1,5 x 2,5 = 3,75 |

Transmission tariff structure in 2026

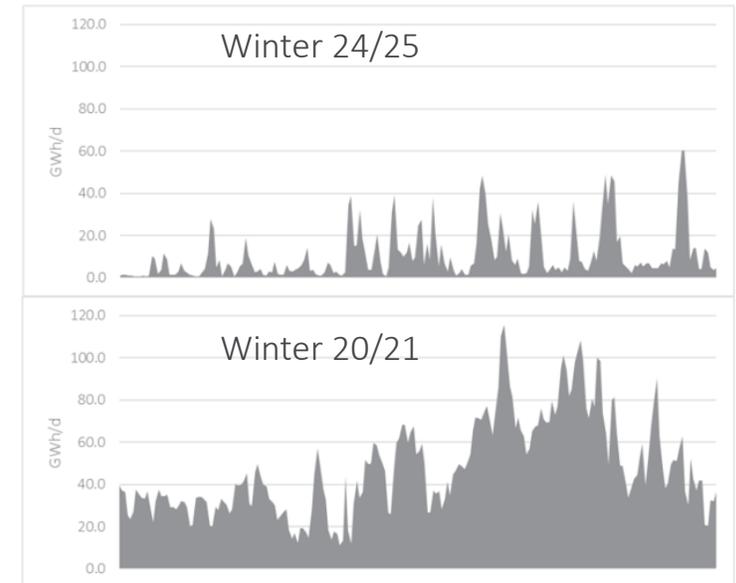
1. The reference prices (price of annual capacity product) for entry and exit capacity is proposed to be the same in 2026 than in 2025.
 - Entry capacity reference price: 0,39115 €/MWh
 - Entry tariff discounts for renewable and low-carbon gas injection
 - Exit capacity reference price: 3,59679 €/MWh
 - Tariff multipliers for entry and exit capacity products remain the same.
2. The commodity charge to be collected from the Finnish exit zone based on the transported quantity.
 - Commodity charge: 0,27143 €/MWh (in 2025: 0,19361 €/MWh)
3. The capacity subscription charge:
 - Capacity Subscription Charge: 1730,40 €/MW.

The inclusion of the capacity subscription charge as part of tariff methodology would not affect the level of reasonable return on gas transmission, which is determined according to the Energy Authority's regulatory method.



The capacity subscription charge

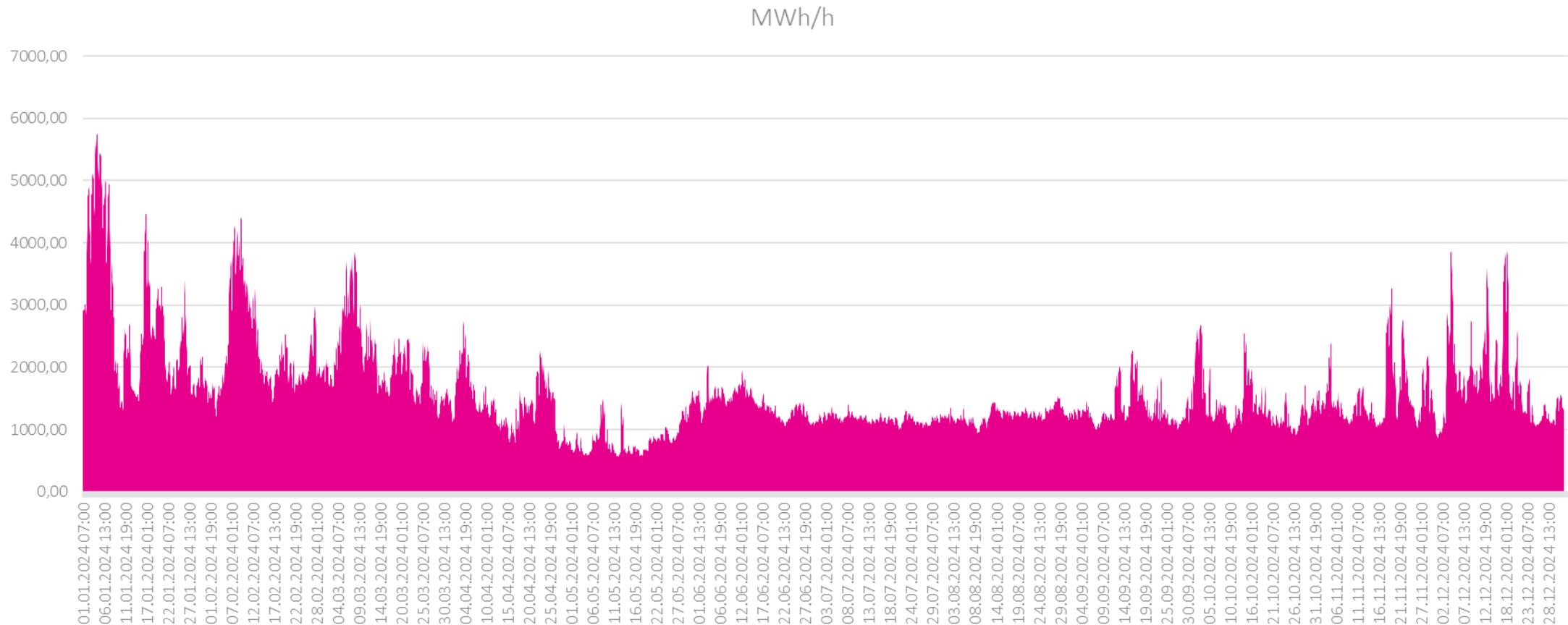
- The Capacity Subscription Charge will be payable by the Shippers.
- The Charge will be based on the highest peak hour realized during the review year within the shipper's delivery portfolio.
 - Therefore, the peak hours for individual delivery points (end user) may occur at different times compared to the highest aggregated peak hour of the shipper's entire delivery portfolio.
- Triggers for the Capacity Subscription Charge:
 - Significant change in the gas market especially on the energy production segment → the increasing share of gas transmission service is being paid by industrial users creating a challenge for equal treatment between the network user groups.
 - Value of the existence of the infrastructure: The gas infrastructure is available to all users year-round with the capability to produce high capacity, if needed by the network user, and the system's transmission capacity is maintained to meet peak demand.



| | Realized peak hour of the shipper MW | €/MW | Annual demand MWh | €/MWh |
|---|--------------------------------------|--------|-------------------|-------|
| A | 500 | 1730,4 | 1 000 000 | 0,87 |
| B | 250 | 1730,4 | 2 000 000 | 0,22 |
| C | 800 | 1730,4 | 500 000 | 2,77 |

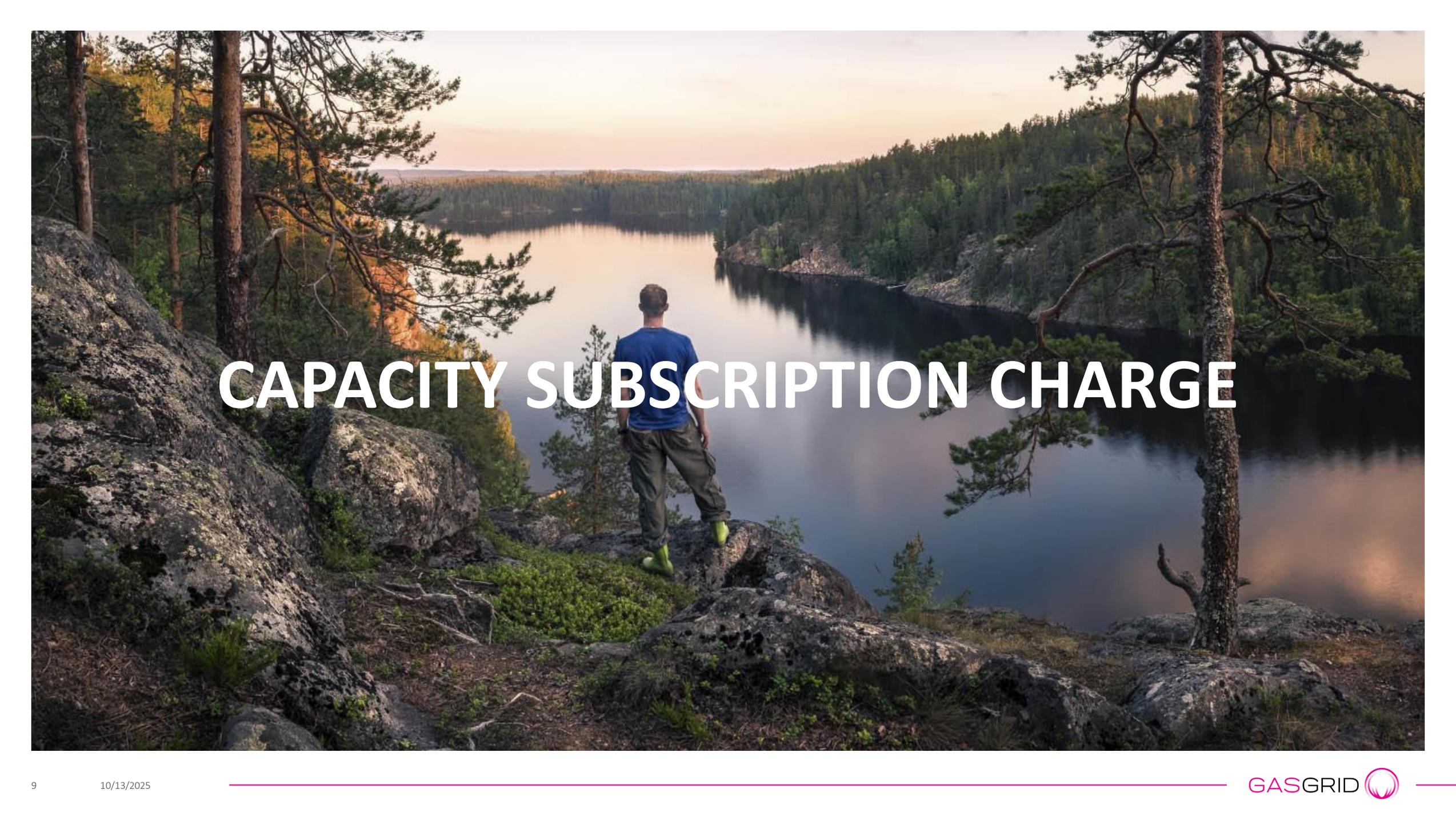
Peak hour in 2024

Peak hour of the Finnish exit zone in 2024 was 5760 MWh/h. Note that the capacity subscription charge is based on each shipper's individual peak hour of its delivery portfolio → the peak hour of the Finnish gas system may be different than the peak hour of the shipper used as a basis for the capacity subscription charge.



Strategic Aspects of Transmission Pricing





CAPACITY SUBSCRIPTION CHARGE

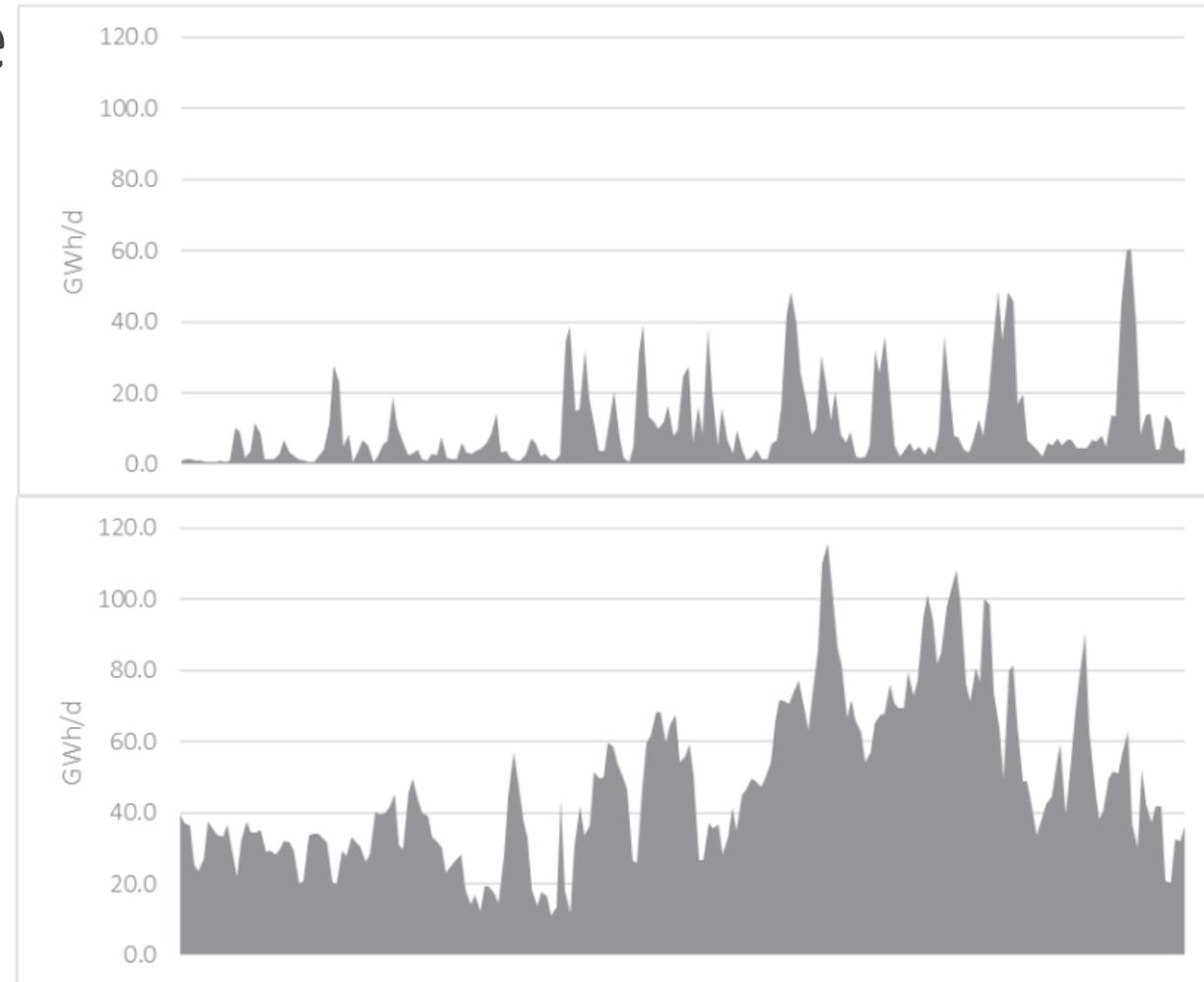
Estimated revenue collected from offtakes (exits)

- **Current model:** revenue collected from offtakes (exits) = exit zone capacity tariffs + commodity charge
- **As of 2026:** revenue collected from offtakes (exits) = exit zone capacity tariffs + commodity charge + capacity subscription charge revenue
 - Total revenue estimated to be collected from offtakes will be allocated between the new proposed capacity subscription charge tariff component, exit zone capacity tariffs and commodity charge
 - Capacity subscription charge tariff component therefore has reducing impact on the revenue estimated to be collected from the exit zone capacity tariffs as the total revenue collected from offtakes is divided between the three tariff components instead of being collected only from the exit zone capacity tariffs and commodity charge



Capacity Subscription Charge

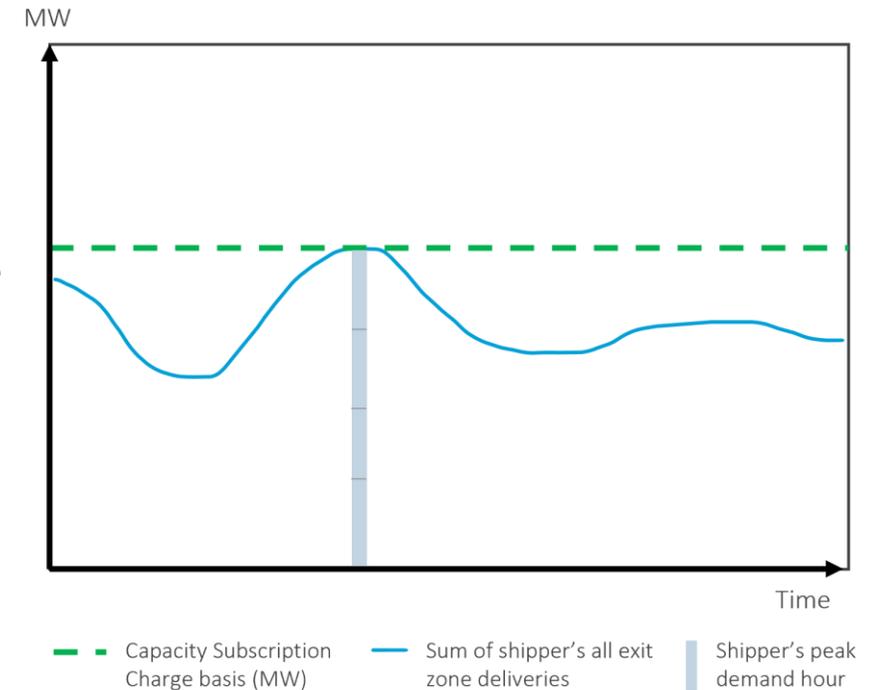
- Background: Need to ensure fairer allocation of costs between different network user groups
- Change in the Finnish gas demand:
 - Energy production sector base load demand has practically disappeared
 - Consumption in this sector consists of occasional peaks when electricity market conditions are favorable for gas consumption
- Gasgrid maintains infrastructure and capacity is available 24/7/365
 - Maintaining readiness incurs costs regardless of actual usage
 - Fair and equal treatment must be ensured among network users
 - Current tariff model favors irregular users and causes imbalance in cost allocation
 - Growing share of costs falls on stable base load consumers
- Capacity subscription charge seen as the way to enhance fairer cost allocation, stabilize pricing and improve management of deficit and surplus revenue



Gas demand in energy production sector during winter seasons 24/25 (upper figure) and 20/21 (lower figure)

Determination of the Capacity Subscription Charge

- Charge is based on the **shipper's exit zone** delivery portfolios highest peak demand hour of the review year
 - Review year = 1.1.202X 07:00 - 1.1.202(X+1) 07:00 (EET)
- Highest peak demand hour will be determined from the **hourly sum** of all exit zone delivery points belonging to the shipper's delivery portfolio
 - Highest hourly demand (MW) will determine the final capacity subscription charge for the review year (if there are no changes to the delivery relationships during the review year)
- Gasgrid has considered the opinions and feedback received during the previous consultation and made changes to the proposed model
- For the sake of clarity, Gasgrid no longer proposes the charge to be based on the individual connection capacities from the connection agreements for each delivery point separately (as presented in the consultation document published April 16th, 2025)



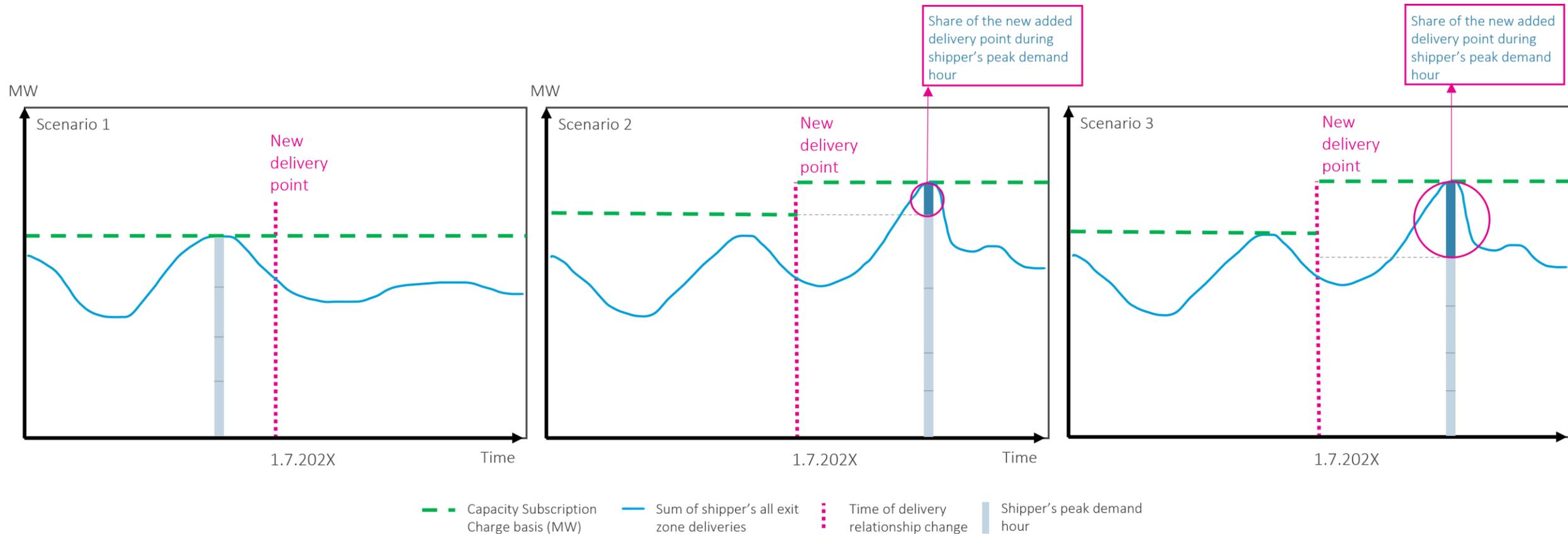
Notification of the estimated capacity subscription / Invoicing

- Shipper shall submit its capacity subscription estimate to Gasgrid no later than Dec 15th (or next business day if Dec 15th is on weekend)
 - Capacity Subscription form for providing this information will be available at Gasgrid's website
- Estimate acts as the basis for invoicing for the upcoming review year
- Invoicing is carried out monthly on the 1st day of the month or the next business day
- Example:
 - Shipper's capacity subscription estimate = 100 MW
 - Capacity subscription charge = 1730,40 €/MW
 - Annual invoice = 100 MW * 1730,40 €/MW = 173 040 €
 - Monthly invoice = 173 040 / 12 months = 14 420 €/month
- Final invoicing ("*reconciliation invoicing*") will be carried out after the review year has ended based on the actual highest peak delivery quantity
 - If actual peak > estimated capacity subscription, Gasgrid will invoice the difference (MW) multiplied by the unit price
 - If actual peak < estimated capacity subscription, Gasgrid will credit the difference (MW) multiplied by the unit price



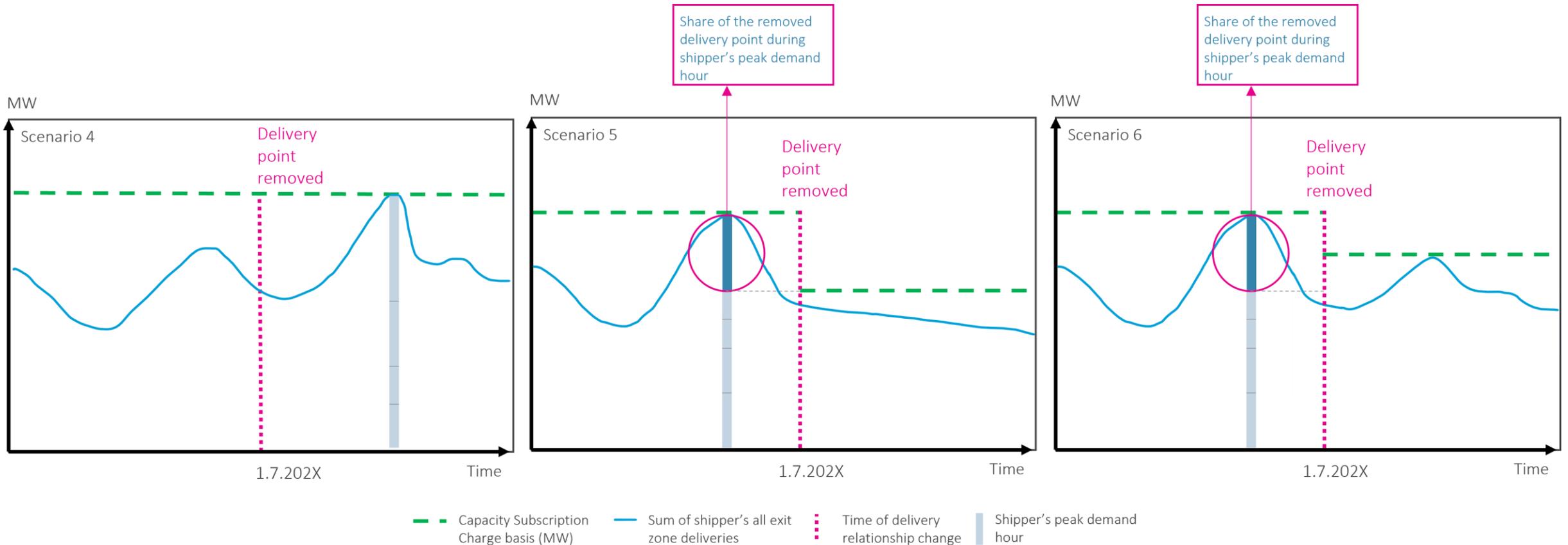
Changes in delivery relationships during review year (1/2)

- If new delivery point(s) are **added** to shipper's delivery portfolio during review year, the potential impact of these will be considered in the reconciliation invoicing
- Example: a new delivery point is **added** on 1.7.202X. Following figures illustrate how the capacity subscription charge level (MW) will be determined in the three different scenarios (after the review year).



Changes in delivery relationships during review year (2/2)

- If delivery point(s) are **removed** from shipper's delivery portfolio during review year, the potential impact of these will be considered in the reconciliation invoicing
- Example: delivery point is **removed** on 1.7.202X. Following figures illustrate how the capacity subscription charge level (MW) will be determined in the three different scenarios (after the review year).



Public consultation organized by the Finnish Energy Authority

- The public consultation will be held from 6 October 2025 to 24 October 2025. Statements must be submitted by 24 October 2025 to kirjaamo@energiavirasto.fi (with a copy to emmi.puputti@energiavirasto.fi).
- If the statement or its attachments contain information that you consider to be confidential business secrets, please clearly mark such information in the documents. In such cases, please also submit a version of the statement and its attachments from which the confidential information has been redacted or removed.
- For further information, please contact Specialist Emmi Puputti at emmi.puputti@energiavirasto.fi.
- [Public Consultation | Energiavirasto](#)



Thank you!