

To: AGCS Gas Clearing and Settlement AG  
Re: Consultation about the new balancing model from 01.10.2022  
e-mail to [office@agcs.at](mailto:office@agcs.at)

We would like to take the opportunity to express our opinion with regard to the new balancing model planned to be introduced starting from 01.10.2022.

The significantly increased amount of collateral and requirements for collateral depositing may lead to substantial additional financial exposure and adds complexity in relation to the existing balancing services used by the shippers operating at the transmission level, which could result in termination of current balancing contracts.

The aforementioned negative consequences of the new regulatory proposal in its current form will affect in particular transit shippers and will have disproportionately negative influence upon them. However, it is our understanding that balancing groups operating at the transmission level do not pose any additional risks to the Austrian Balancing regime and therefore the new balancing model should provide an opportunity to reduce collateral requirement for such Balance Group Representatives or to preserve the current levels of such collateral.

Furthermore, in the current regulatory environment it would be problematic for some transit shippers domiciled outside the EU to establish balancing groups as well as to comply with the collateral depositing requirements.

As the ability of the shippers to conclude new balancing agreements and to meet the proposed collateral requirement is uncertain, it may reduce the attractiveness of the Austrian market as a transit market and as a delivery point and undermine the security of gas supplies to Austria and other European countries

In this regard, we suggest preserving the current collateral requirements.

We expect that the final decision would accommodate our concerns.