



Comments to the TAR NC Consultation

Göteborg

2018-06-19

St1 Refinery AB supports the suggested reference price methodology "The postage stamp method" put forward by Swedegas.

As described in the consultation document:

"The suggested reference price methodology (RPM) is the postage stamp method. The postage stamp is easy to understand, and the reference price obtain from it can easily be reproduced. Further it is cost-reflective, non-discriminatory and is assessed to have a positive impact on the Swedish market, compared to RPMs that have distance as a cost-driving factor."

Our view is that since the only entry point for natural gas to Sweden is in the south namely via Dragör, the price should be equal and independent of the location of the consumer. There should be no difference in price whether the consumer is situated in the beginning or at the end of the pipeline. The methodology must be competitively neutral between all consumers.

A RPM based on distance will create different business environments for different consumers purely based on their location. There is also a potential risk for a change to other energy sources if a too large part of the cost is put on some of the consumers.

Karin Lundqvist
Process technology manager
St1 Refinery AB