

## **ARERA consultation n. 590/2018 on the regulation of LNG storage and small-scale LNG services**

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### **EFET response – 21 December 2018**

The European Federation of Energy Traders (EFET<sup>1</sup>) welcomes the opportunity to give a short feedback to ARERA consultation n. 590/2018.

We would like to invite the Regulator to undertake a broader reflection of the impacts of a lower auction reserve price on the transportation tariffs and, more in general, on the market functioning.

We reiterate our views that the subsidization of LNG terminals through transportation charges distorts the functioning of the wholesale market and the integration with neighbouring markets. EFET has for long recommended to avoid implementing measures that negatively impact cross-border trading and the competitiveness of the Italian gas market: variable charges, if applied at entry points, have to be included in the wholesale prices that are negotiated at the PSV and this distorts price signals in the Italian market, jeopardising liquidity and the efficient development of the Italian gas market.

We therefore invite ARERA to carefully consider the above and to avoid producing impacts on the cost of entry to the Italian system.

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<sup>1</sup> The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent and liquid wholesale markets, unhindered by national borders or other undue obstacles. EFET currently represents more than 100 energy trading companies, active in over 27 European countries. For more information: [www.efet.org](http://www.efet.org)