



The total recognised remuneration for Enagas for regulated activities will entail a maximum increase of 14% with respect to the previous year.

Ministerial Order ITC/4099/2005

Ministerial Order ITC/4099/2005 was published on 30 December 2005, establishing the applicable remuneration scheme for regulated gas sector activities in 2006.

As in previous years, the purpose of this Ministerial Order is to establish and update the remuneration scheme applicable to regulated activities, defining the elements comprising such activities and setting out the necessary measures to ensure the suitable provision of the service.

The remuneration of the existing transport infrastructures and those expected to start operations during 2006 **represent around 9% of the total costs of the Spanish natural gas system** against 10% for the previous year.

In keeping with the Order, **the total estimated remuneration for Enagas for regulated activities in 2006 would entail a maximum increase of 14% with respect to the previous year.**

This total remuneration includes the fixed cost of assets put into operation until 12.31.2004, plus the remuneration for assets put into operation in 2005 and the projected remuneration allocated for the estimated assets put into operation throughout the year 2006.

Furthermore, it includes a provision for management of the sale and purchase of gas for supply to the tariff market, the remuneration for system technical management and the remuneration for the investment in the purchase of natural gas for the minimum level of filling of the tanks of the regasification plants and for the pipelines.



Additionally, the Ministerial Order determines the procedure to remunerate the costs of storage of LNG in ships as established by the Winter Plan approved by the Ministry on 28 November, 2005.

The CPI and PPI forecasts for 2004 were adjusted when updating remuneration for 2006, as the definitive data for that year is now available.

The main reference variables (efficiency factor, ten-year bond differential and utilisation factor of regasification plants) **have remained the same as in previous years.**

Order ITC/4101/2005

Also published on the same date was Order ITC/4101/2005, **concerning the applicable tariffs for natural gas.**

Average tariffs have risen by around 4% for domestic users and by around 11% for industrial users, due to the significant increase in the cost of the raw material.

In addition, this Order clarifies the obligations of Enagás in its responsibilities to attend the needs of the tariff market and the guarantee of supply for this segment of clients.

Thus, the Order ITC/4101/2005 eliminates the group 1 tariffs (clients with pressures above 60 bars), subgroups 2.5 and 2.6 (with consumption above 100,000 KWh/year) and those of group 4 (interruptibles). All these consumers will get the supply in the liberalized market, although they will have a transition period.

Order ITC/4101/2005

Lastly, in the Order ITC/4100/2005 **the tolls and fees for the third party access** to the gas infrastructures have been established.



The **tolls** and fees for third party access to the regasification facilities have remained constant with respect to 2005 whereas **transport** and storage **have fallen by 1.3%**.

Since 2001 the transportation tolls have decreased by 11.5% nominally and 28% in real terms, taking into account the Government inflation forecast for 2006.

As main new features, we could highlight the establishment of new tolls:

- ✓ **Short term tolls**, which satisfy the needs of some distributors.
- ✓ **Interruptible tolls**, 52% below the average of the firm transport toll and which aim is to pay a service rendered under discontinuity conditions when the installations are not available.
- ✓ **International transit toll**, subject to the approval of the System Technical Manager.

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