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Grand Ruling Chamber for Energy

Reference: GBK-24-02-1#3

Decision

In the administrative proceedings pursuant to section 29 in conjunction with sections 21 and 21a of the Energy Industry Act (EnWG)

relating to the **Determination on a methodology for calculating the base level for electricity distribution system operators (StromNEF)**

the Grand Ruling Chamber for Energy of the Bundesnetzagentur für Elektrizität, Gas, Telekommunikation, Post und Eisenbahnen, Tulpenfeld 4, 53113 Bonn,

represented by

its Chair	Klaus Müller,
its Vice Chair	Barbie Kornelia Haller,
its Vice Chair	Dr Daniela Brönstrup,
its Vice Chair	Karsten Bourwieg,
its Vice Chair	Achim Zerres,
and its Vice Chair	Alexander Lüdtke-Handjery

in summoning

Lichtblick SE, Klostertor 1, 20097 Hamburg, legally represented by its management board,

- party summoned –

decided on 8 December 2025:

1. Addressees

[1]This determination is addressed to all operators of electricity distribution networks in accordance with section 3 para 3 EnWG[1] (network operators within the meaning of this determination).

2. Scope

[1]The determination regulates

a) the method for setting the base level for setting revenue caps in incentive regulation in accordance with the RAMEN determination[2] as from the fifth regulatory period (which begins on 1 January 2029) by means of a cost examination using 2026 as the base year and
b) the method for determining the network costs as the basis for approving the network access tariffs (tariff approval) in accordance with section 23a (EnWG) as from 2029.

[2]If tariffs are examined as set out in section 110(4) EnWG, the rules of operative part 3.3 sentence 2 and operative parts 4 to 13 apply accordingly.

3. Calculating network costs by means of cost examination

3.1

For setting the base level and approving the network access tariffs in accordance with section 23a EnWG, the network costs must be calculated using a cost examination as set out in operative parts 4 to 13 of this determination.

3.2.

[1] Section 3 para 9 EnWG in the draft Act amending energy industry law to strengthen consumer protection in the energy sector and amending other provisions of energy law, Bundesrat printed paper 383/25.

[2] References to RAMEN in this determination are to the RAMEN Strom determination as last amended.

[1]The cost examination for calculating the base level is conducted using the base year of the RAMEN determination (GBK-24-01-3#3). [2]Predicted costs cannot be taken into account.

3.3.

[1]For a network operator for which a revenue cap for the calendar year cannot yet be determined in accordance with the RAMEN determination (GBK-24-01-3#3), the cost examination for the tariff approval under section 23a EnWG is conducted on the basis of the data from the last full financial year. [2]Reliable findings regarding the budget year may be taken into account.

4. Principles of calculating network costs

4.1.

[1]Costs of network operation must be recognised in line with the basic principles set out in operative part 5.1 of the RAMEN determination. [2]On the basis of the income statements for electricity distribution for the last full financial year pursuant to section 6b(3) EnWG under operative part 3, an imputed cost statement must be prepared to calculate the network costs. Up until the first-time preparation of the relevant income statement in accordance with section 6b(3) EnWG, the determination of network costs must be based, in derogation from sentence 2, on income statements for the last full financial year that are limited to the activity area of electricity distribution respectively and have been prepared according to the principles of German commercial law.

4.2.

[1]Having regard to operative part 4.1 sentences 1 and 2, the network costs are composed of the sum of the capital costs (CAPEX) and the operating costs (OPEX). [2]Capital costs are the imputed depreciation set out in operative part 9, the imputed return on total capital described in operative part 10 and the imputed trade tax under operative part 12 minus cost-reducing income on the basis of the construction cost and investment grants and network connection cost contributions calculated pursuant to operative part 13. [3]Operating costs are the network operator's remaining costs and revenue or earnings. [4]Capital costs of the lessor pursuant to operative part 5 of the operative part are considered capital costs within the meaning of sentence 2. [5]Capital costs of a service provider under operative part 6 are considered operating costs within the meaning of sentence 3.

4.3.

[1]Direct costs of the network are to be allocated directly to the network. [2]Costs of the network that cannot be allocated directly as direct costs or only with unreasonable effort must be allocated to the electricity distribution network as indirect costs using a cost-reflective allocation. [3]The underlying allocation must be appropriate and in compliance with the principle of consistency. [4]The allocation must be fully documented in a manner comprehensible for any competent third party. [5]An allocation may be changed only to the extent this is objectively required. [6]The main reasons for this must be fully documented in a comprehensible manner.

5. Transfer of operationally necessary fixed assets

[1]Costs or cost components that arise on the basis of a transfer of operationally necessary fixed assets must be taken into account in the calculation of network costs as set out in the following sentences. [2]The costs may be recognised as costs only in the amount in which they would arise if the operator were the owner of the assets. [3]The network operator must provide evidence of these individual costs and replace the costs attributable to this in the network operator's income statement. [4]The starting point for the calculation of the costs is the lessor's income statement for the electricity distribution pursuant to section 6b(3) EnWG; the cost examination is also conducted as per operative parts 3 to 13. [5]The lessor's current outlay costs can only be recognised as distinct from services in accordance with operative part 6 to the extent that they are related to the transfer of the fixed assets.

6. Services

[1]Costs or cost components for services provided by companies to a network operator must be taken into account in calculating network costs in accordance with the following sentences. [2]Costs can be recognised at most in the amount actually incurred when applying the principles of calculating network costs within the meaning of this determination and they are in line with market conditions. [3]The costs attributed to services in the network operator's income statement form the upper limit. [4]Profit markups by service providers from a vertically integrated undertaking cannot be recognised.

7. Current expenses

[1]Current expenses must be taken from the income statements for electricity distribution prepared in accordance with section 6b(3) EnWG and taken into account in the calculation of network costs as per operative parts 4 to 6.

[2]Cost items that are regularly and completely offset by other mechanisms or over time cannot be recognised under network costs, neither under costs nor under revenue or income.

[3]Interest paid and interest income must not be included in the current expenses and income. [4]This is without prejudice to the determination and adjustment of cost components not subject to efficiency benchmarking under operative part 7 as well as volatile costs under operative part 8 of the RAMEN determination.

[5]Expenditure for disposals of fixed assets may be taken into account in determining the current costs; the starting point is the imputed residual value of those assets that have been depreciating since 31 December of the previous base year until 31 December of the base year used for setting the base level. [6]The residual values of the assets so defined must be updated until the end of the ongoing regulatory period in the base year; the basic principles on special features of the financial year apply in accordance with the RAMEN determination. [7]Revenue and income related to disposals of fixed assets must be deducted from the network costs.

[8]Costs for measures by the network operators pursuant to section 13(1) sentence 1 para 2 EnWG in conjunction with section 14(1) sentence 1 EnWG must be set in such a way that their comparability is ensured to the greatest extent possible. [9]For the purposes of conducting the efficiency benchmarking, the costs under sentence 8 are to be aligned when determining the base level; the method of alignment remains the subject of a separate determination.

8. Converting the assessment of tangible fixed assets to general price level accounting

[1]At the start of the fifth regulatory period there will be a change to the capital maintenance model for existing tangible fixed assets (capitalised before 1 January 2006) based on the following guidelines. [2]In the base year of the fifth regulatory period (2026), the equity-financed portion of the existing tangible fixed assets will be assessed for the last time for the cost of replacement in accordance with section 6(2) and (3) and (6a) StromNEV of the Electricity Network Tariffs Ordinance. [3]The equity-financed portion is 40%. [4]From this time on the

imputed residual values calculated on this basis will be used for the imputed assessment of fixed assets in accordance with operative parts 9 and 10. [5]New plants and the debt-financed portion of existing assets are assessed on the basis of the acquisition and production costs in accordance with operative part 9. [6]The debt-financed portion is 60%.

9. Imputed depreciation

9.1.

[1]To ensure efficient and reliable network operation longterm, the decrease in value of the operationally necessary fixed assets, including the operationally necessary intangible assets, must be taken into account as a cost item in the calculation of the network costs (imputed depreciation) based on the following guidelines. [2]The imputed depreciation must replace the corresponding balance-sheet depreciation of the income statement in the imputed cost accounting. [3]The imputed depreciation must be calculated in accordance with the straight-line depreciation method, starting from the respective initial historical acquisition and production costs; this is without prejudice to the rules of operative part 8. [4]Investment grants may be deducted from the asset side of acquisition and production costs determined in accordance with sentence 3. [5]The imputed depreciation must be calculated for a year. [6]This must be based on receipt of the asset on 1 January of the year of acquisition.

9.2.

[1]The imputed depreciation must be calculated for each asset annually on the basis of the respective average useful life as set out in Annex 1. [2]As from the beginning of the fifth regulatory period (1 January 2029) the useful lives specified in Annex 1 for newly acquired fixed assets that have been capitalised after 31 December 2028 must be taken into account. [3]The respective average useful life used for each asset or group of assets until 31 December 2028 remains unchanged for the remaining period of its imputed depreciation.

9.3.

[1]The imputed residual value of any asset at the end of the original depreciation period is zero. [2]Any revival of imputed residual values is not permitted. [3]There is no depreciation to a value below zero. [4]The prohibition of depreciation to values below zero applies irrespective of any changes in ownership or creation of any obligations. [5]When calculating the depreciation of fixed assets, network operators are bound to the residual values used by the regulatory authority in a final decision on the approval of network tariffs or setting revenue caps for an earlier regulatory period.

10. Imputed return on total capital

[1]The network operator's imputed return on total capital is derived from the interest basis multiplied by a weighted average cost of capital (WACC). [2]Detailed rules on the methodology and calculation of the WACC to be used for the base level will be set out in a methodology determination under section 21(3) sentence 4 para 1a) EnWG.

[3]The interest basis is the network operator's necessary assets from which the remainder of construction cost contributions, investment grants and network connection cost contributions are deducted; for investment grants this applies only to the extent that there is no offsetting on the asset side in accordance with operative part 9.1 sentence 4. [4]The operationally necessary assets result from the sum of the

a) imputed residual value of the tangible fixed assets, assessed in accordance with operative parts 8 and 9, including advance payments and construction in progress

b) operationally necessary land at acquisition cost

c) residual values of the operationally necessary intangible assets, assessed in accordance with operative part 9 including payments on account

d) balance-sheet values of the operationally necessary inventories, materials and supplies

e) imputed values of the current operationally necessary assets in accordance with sentence 7.

[5]In each case, the average of the amount at the beginning and at the end of the year must be recognised. [6]When calculating the opening stock of the fixed assets under construction and advance payments made, any reclassifications made to completed tangible fixed assets must be taken into account and deducted accordingly from the opening stock.

[7]The operationally necessary current assets are one twenty fourth (1/24) of the audited network costs of the respective base year.

11. Interest bonus

[1]Network operators receive an interest bonus for collecting qualified grants. [2]The interest bonus is calculated by multiplying the residual values of the qualified grants by the bonus rate and the WACC as set out in operative part 10. [3]Qualified grants are contributions to construction costs as well as network operator investment grants that were collected after 31 December 2028 and not used for longer than five years; investment grants that have been deducted from the asset side in accordance with operative part 9.1 sentence 4 are not qualified grants. [4]The bonus rate is 25%. [5]The interest bonus is not an integral part of the base level.

12. Imputed trade tax

[1]Within the context of calculating network costs, any trade tax appropriately allocable to the network area is recognised as an imputed cost item. [2]For this purpose the equity return in the imputed return on total capital as referred to in operative part 10 is multiplied by the trade tax rate. [3]The rate of trade tax is the product of the index rate and the rate of assessment for trade tax in the base year.

13. Cost-reducing revenue and income

[1]Other revenue and income must be deducted from network costs to the extent they are objectively allocable to network operation and are derived in particular from the items

a. own work capitalised;

b. network connection cost contributions;

c. contributions to construction costs;

d. investment grants or

e. other income and revenue

of the network-related income statement. [2]Income under section 140 of the Telecommunications Act (TKG) is objectively not allocable to network operation. [3]The construction cost contributions, network connection cost contributions and investment grants paid by connection owners must be amortised on a straight-line basis over a period of 20 years and recognised annually with cost-reducing effect. [4]Sentence 3 does not apply to investment grants that have been deducted on the asset side in accordance with operative part 9.1 sentence 4.

14. Inter-period offsetting

[1]Where network tariffs are not determined using incentive regulation in accordance with section 21a EnWG, network operators are obliged, after the end of a calculation period, to determine the difference between

1. the revenue generated from network tariffs in this calculation period and

2. the network costs upon which the calculation period is based in accordance with operative parts 3 et seq.

[2]If the revenue pursuant to sentence 1 para 1 exceeds the costs pursuant to sentence 1 para 2, the difference plus any interest at the rate set out in operative part 14.4 of the RAMEN determination on the average amount committed is to be recognised with cost-reducing effect. [3]If the revenue pursuant to sentence 1 para 1 is less than the costs pursuant to sentence 1 para 2, the difference plus any interest at the rate set out in operative part 14.4 of the RAMEN determination on the average difference amount is to be recognised with cost-increasing effect. [4]Any offsetting must occur over each of the following three calculation periods. [5]The average amount committed pursuant to sentence 2 is half of the difference from the revenue realised pursuant to sentence 1 para 1 and the costs to be covered pursuant to sentence 1 para 2. [6]The average difference amount pursuant to sentence 3 is to be half of the difference from the costs to be covered pursuant to sentence 1 para 2 and the revenue generated pursuant to sentence 1 para 1.

15. Applicability of procedural requirements

no content

16. Payment of costs

No fees are payable for the decision.

Annex 1 StromNEF: asset groups and useful lives

Asset groups			Useful lives (years)
I.		**General assets**	
	1.	Intangible assets	
	1.1	Self-created industrial property rights and similar rights and assets	Under commercial law
	1.2	Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	Under commercial law
	1.3	Paid construction cost contributions , network connection cost contributions and investment grants	20
	2.	Land	-
	3.	Property facilities, building and structures for transport, other buildings	20
	4.	Industrial buildings	50
	5.	Administrative buildings	60
	6.	Railway tracks, railway wagons	23
	7.	Fixtures and fittings (without IT, tools/devices); telecommunications switching equipment	8
	8.	Tools/devices	10
	9.	Storage facilities	14
	10.	IT equipment	
		- Hardware	4
		- Software	3
	11.	Vehicles	
		- light vehicles	5
		- heavy vehicles	8
II.		**Generation plants**	
	1.	Renewable energy installations on industrial buildings	20
	2.	Battery storage	20
	3.	Reactive current compensation equipment	20
III.		**Transmission and distribution assets**	
	1.	Network assets for high-voltage transmission	
	1.1	Electricity networks	
		- 110-380 kV overhead lines	40
		- 220 kV underground cables	40
		- 110 kV underground cables	40
	1.2	Switching station/substation equipment and ancillary facilities, including transformers and switches	35
	1.3	Protection and metering equipment	
	1.3.1	Analogue protection, metering and overvoltage protective installations, remote control, telecommunications, remote metering and automatic facilities, as well as centralised ripple control systems, including coupling, transformation and switch facilities	25
	1.3.2	Digital protection, metering and overvoltage protective installations, remote control, telecommunications, remote metering and automatic facilities, as well as centralised ripple control systems, including coupling, transformation and switch facilities	10

	1.4	Offshore transmission link assets	20
	1.5	Other	20
III.	2.	Network assets for distribution network operation	
	2.1	Medium-voltage network	
		- underground cables	40
		- overhead lines	30
	2.2	Low-voltage network	
		- 1 kV underground cables	40
		- 1 kV overhead lines	30
	2.3	Stations with electrical equipment	
		- 380/220/110/30/10 kV stations	25
		- Analogue substations	30
		- Digital substations	15
		- Customer-own transformer substations	30
		- Station buildings	30
		- General station equipment, stationary hoisting gear and freight elevators, including running rails, exterior lighting in transformation and switch facilities	25
		- Switch installations	30
		-Analogue ripple control systems, remote control, telecommunications, remote metering and automatic facilities, current and voltage transformers, grid protection installations	25
		-Digital ripple control systems, remote control, telecommunications, remote metering and automatic facilities, current and voltage transformers, grid protection installations	10
	2.4	Customer connections	
		- underground cables	35
		- overhead lines	30
	2.5	Transformers (medium to low voltage), cable distribution cabinets	30
	2.6	Meters, metering installations, clocks, TFR receivers	20
	2.7	Communication circuits	
		- analogue circuits	30
		- digital circuits	20
	2.8	fixed and mobile electric generators	15