Bundesnetzagentur

Draft

Grand Ruling Chamber for Energy

Reference: GBK-25-01-1#2

Decision

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

relating to the **determination of a regulatory framework for electricity transmission system operators**

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	Alexander Lüdtke-Handjery and

its Vice Chair Matthias Otte,

decided on dd [month] yyyy:

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1. Scope

[1]This determination is addressed to operators of electricity transmission systems as defined in section 3 para 10 EnWG (transmission system operators within the meaning of this determination). [2]It applies both to transmission system operators with responsibility for control areas as defined in section 3 para 10a EnWG and to transmission system operators without responsibility for control areas. [3]The determination does not apply to independent operators of cross-border electricity interconnectors as defined in section 3 para 31 EnWG.

[4]The determination lays down the method for calculating the network costs. [5]It also lays down the method for calculating the apportionable costs of offshore transmission links.

2. Cost-based regulation (cost-plus regulation)

Transmission system operators' tariffs for network access will be calculated with effect from 1 January 2029 under a system of cost-based regulation (cost-plus regulation) creating incentives for efficient service provision.

2.1. Annual calculation of forecast costs

[1]Transmission system operators will calculate the expected costs of transmission system operation for the following calendar year by 30 June each year in accordance with this determination and submit the costs, including the calculation basis, to the Bundesnetzagentur. [2]The forecast costs are calculated on the basis of the data for the last full financial year; any reliable findings regarding the budget year can be taken into account. [3]The network costs for the construction and operation of offshore transmission links that can be apportioned according to section 17f(1) sentence 1 paras 3 to 6 EnWG must be calculated separately from the other network costs that are not related to the construction and operation of offshore transmission links.

[4]The calculation basis must be designed in such a way that a competent third party can verify the calculation of the costs and cost components as well as compliance with the provisions of this determination without any further information. [5]The data must be submitted electronically using the latest version of the data form published by the Bundesnetzagentur on its website.

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[6]Transmission system operators are also required to submit a report on the adjustment of the forecast costs in electronic form to the Bundesnetzagentur by 30 June each year. [7]The report must explain any substantial deviations in costs compared with the previous year. [8]A substantial deviation in costs is when the forecast costs for a main accounts in the data form to be submitted deviate by more than €20mn or by at least 10% from the forecast costs of the previous year.

[9]The report must also include explanations about the development of economically significant cost or revenue items that affect the forecast costs for the next calendar year and must enable the Bundesnetzagentur to verify the basis for the cost developments without requesting any further information. [10]Economically significant cost and revenue items are in particular the following:

- Costs for investments in the forthcoming calendar year, broken down into onshore and offshore investments, with the latter broken down into offshore transmission systems. Network costs for the construction and operation of offshore transmission links that are not shown or not shown completely in a separate income statement must be presented in a comparable form by the transmission system operator.
- Costs for cost items covered by section 17f(1) sentence 1 paras 1 and 2 EnWG.
- The weighted average cost of capital (WACC) applied for the calendar year in accordance with the calculation rules set out in operative part 9.
- The trade tax to be used in accordance with operative part 10.
- Costs for congestion management measures.
- Costs for the procurement of loss energy, broken down into onshore and offshore costs.
- Costs for the procurement of balancing energy.
- Costs for reserve plant capacity.
- Congestion income.

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- Deviations between forecast and actual costs for specific accounts from the previous year, broken down into onshore and offshore costs.

2.2. Basis for new forecast costs

[1]Transmission system operators must document significant and new forecast costs in line with the following criteria in order to be able to reliably take the costs into account:

- Significant new costs must be booked and documented separately in a transparent internal account framework.
- Revenue must be shown and offset separately.
- Costs must be incurred on the basis of specific, internally approved project plans.
- The project planning documentation must include details of, in particular:
  - third parties directly affected by a project (other transmission system operators, balance responsible parties, connection owners, etc),
  - the relevant rules and regulations (technical regulations, market communication rules, etc),
  - an analysis of abuse potential and market impact (in particular in the electricity market or in system services markets).

[2]Project plans and the costs incurred must be documented in such a way that they can be verified at any time.

2.3. Comparison between forecast and actual costs

[1]Transmission system operators will calculate the permissible costs actually incurred in the previous calendar year by 30 June each year in accordance with this determination and submit the costs, including the calculation basis, to the Bundesnetzagentur. [2]The calculation basis must be designed in such a way that a competent third party can verify the calculation of the costs and cost components as well as compliance with the provisions of operative parts 3 to 18 without any further information. [3]The network costs for the construction and operation of offshore transmission links that can be apportioned according to section 17f(1) sentence 1 paras 3 to 6 EnWG must be calculated separately from the other network costs that are not related to the construction and operation of offshore transmission links. [4]The

data must be submitted electronically using the latest version of the data form published by the Bundesnetzagentur on its website.

[5]Transmission system operators are required, after the end of a calendar year (calculation period), to calculate the difference between:

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

2. the permissible costs actually incurred for the calculation period.

[6]If the revenue generated is higher than the permissible costs actually incurred, the full difference must be taken into account with cost-reducing effect in the following year. [7]If the revenue generated is lower than the eligible costs actually incurred, the difference must be taken into account with cost-increasing effect in the following year. [8]If the revenue generated is up to 10% lower than the eligible costs actually incurred, the difference is balanced out in the following year. [9]If the revenue generated is more than 10% lower than the eligible costs actually incurred, 10% of the eligible costs actually incurred are balanced out in the following year. [10]The remaining difference plus interest is spread equally over the subsequent two years. [11]The interest is based on the cost of debt applicable to the transmission system operator in accordance with operative part 9.5. [12]The average amount committed is derived from the average of the amount at the beginning and at the end of the year of the difference between the revenue generated and the eligible costs actually incurred.

[13]Transmission system operators can apply calendar-year markups and deductions to the forecast costs for 2029 to 2033 as derived from the balances of the regulatory accounts for 2024 to 2028 and calculated in accordance with the provisions of section 5 of the Incentive Regulation Ordinance (ARegV).

2.4. Cost examination

[1]Each transmission system operator will be subject to a cost examination at least once every four years. [2]All the financial years since the last cost examination can be included in the examination.

[3]The examination is conducted for each calendar year on the basis of the data for the financial years completed at the time of the examination.

[4]In the cost examination, the Bundesnetzagentur verifies whether the costs and revenue taken into account by a transmission system operator in the period under review meet the provisions of this determination, any supplementary determinations and other referenced determinations. [5]Areas of focus can be set for the cost examination.

[6]Ad-hoc supervisory proceedings can still be conducted in individual cases.

[7]Costs are considered approved five years after the end of a financial year.

3. Principles of calculating network costs

3.1. [1]Costs of network operation can only be taken into account to the extent that they correspond to the operationally necessary costs of an efficient and structurally comparable transmission system operator. [2]Costs and cost components that would not be incurred to the same extent in a competitive environment must not be taken into account. [3]The costs must not include unrelated components supporting unrelated political objectives.

[4]On the basis of the income statements for electricity transmission for the last full financial year pursuant to section 6b(3) sentence 1 para 1 EnWG, an imputed cost statement must be prepared to calculate the network costs.

3.2. [1]Having regard to operative part 3.1 sentences 1 and 2, the network costs comprise the capital costs (CAPEX) and the operating costs (OPEX). [2]Onshore and offshore network costs must be shown separately. [3]Capital costs are the imputed depreciation set out in operative part 8, the imputed return on total capital described in operative part 9 and the actual trade tax under operative part 10 minus cost-reducing revenue and income pursuant to operative part 11. [4]Operating costs are a transmission system operator's remaining costs and revenue or income. [5]Capital costs of a lessor pursuant to operative part 4 are considered capital costs within the meaning of sentence 3. [6]Capital costs of a service provider pursuant to operative part 5 are considered operating costs within the meaning of sentence 4.

3.3. [1]Direct costs of the network must 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 transmission system as indirect costs using a cost-reflective allocation key. [3]The underlying key must be appropriate and in compliance with the principle of consistency. [4]The allocation key must be fully documented in a manner comprehensible for any competent third party. [5]A key may be changed only to the extent that this is objectively required. [6]The main reasons for this must be fully documented in a comprehensible manner.

4. 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 the network costs as set out in the following sentences. [2]The costs can be recognised as costs only in the amount in which they would arise if the operator were the owner of the assets. [3]The transmission system operator must provide evidence of these individual costs and replace the costs attributable to this in its income statement. [4]The starting point for the calculation of the costs is the lessor's income statement for electricity transmission pursuant to section 6b(3) EnWG; the cost examination is also conducted in this case in accordance with this determination. [5]The lessor's current outlay costs can only be recognised as distinct from services in accordance with operative part 5 to the extent that they are related to the transfer of the fixed assets.

5. Services

[1]Costs or cost components for services provided by companies to a transmission system operator must be taken into account in the calculation of the 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 in line with market conditions. [3]The costs attributed to a service in the transmission system operator's income statement form the upper limit. [4]Profit markups by service providers from a vertically integrated undertaking cannot be recognised.

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6. Current expenses

[1]Current expenses must be taken from the income statements for electricity transmission prepared in accordance with section 6b(3) EnWG and taken into account in the calculation of the network costs as per operative parts 3 to 5.

[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]Expenditure for asset disposals can be taken into account in calculating the current costs. [5]The costs to be taken into account for book losses must be calculated on the basis of the imputed residual values. [6]Revenue and income related to disposals of fixed assets must be deducted from the network costs.

[7]Costs for measures by transmission system operators pursuant to section 13(1) sentence 1 para 2 EnWG must be calculated in such a way that their comparability is ensured to the greatest extent possible.

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

[1]With effect from 1 January 2029 there will be a change to the capital maintenance model for existing tangible fixed assets (capitalised before 1 January 2006) based on the following provisions. [2]As of 31 December 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) of the Electricity Network Tariffs Ordinance (StromNEV). [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 part 8. [5]New assets and the debt-financed portion of existing assets are assessed on the basis of the acquisition and production costs in accordance with operative part 8. [6]The debt-financed portion is 60%.

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8. Imputed depreciation

8.1. [1]To ensure efficient and reliable network operation in the long term, 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 provisions. [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 7. [4]Investment grants can 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.

8.2. [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]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.

8.3. [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, transmission system 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.

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9. Imputed return on total capital

9.1. WACC

[1]A transmission system operator's imputed return on total capital is derived from the interest basis multiplied by a weighted average cost of capital (WACC).

[2]The weighted average cost of capital is calculated as the weighted average of the imputed return on equity and the imputed cost of debt in line with operative parts 9.3 to 9.5 using the following formula:

$$WACC = return\ on\ equity \quad * tax\ rate * equity\ ratio \quad + cost\ of\ debt \quad * debt\ ratio$$

9.2. Interest basis

[1]The interest basis is the operationally necessary assets of a transmission system operator 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 8.1 sentence 4. [2]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 7 and 8, including payments on account 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 8 including payments on account;
d) balance-sheet values of the operationally necessary inventories, materials and supplies;
e) imputed values of the operationally necessary current assets in accordance with sentence 5.

[3]In each case, the average of the amount at the beginning and at the end of the year must be taken into account. [4]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

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from the opening stock. [5]The operationally necessary current assets are one twenty-fourth (1/24) of the network costs of the financial year.

9.3. Gearing ratio

[1]The weighting is based on a set ratio between the two types of financing for the total capital of a company. [2]The proportion of capital in the total costs that is subject as equity to the rate of return is set at 40%. [3]The proportion of debt corresponds to 60%.

9.4. Calculation of the imputed return on equity

In the calculation of the network costs, the return on equity to be applied to the imputed equity in the relevant calendar year is that determined by the Bundesnetzagentur in accordance with operative part 4 of determination GBK-25-02-3#1 (return on capital) for the relevant regulatory period as specified in operative part 2.3 of determination GBK-25-01-1#1 (RAMEN Strom).

9.5. Calculation of the imputed cost of debt

[1]In the calculation of the imputed cost of debt, the bond index (or indices) to be used in the relevant calendar year is (or are) that determined by the Bundesnetzagentur in accordance with operative part 5 of determination GBK-25-02-3#1 (return on capital) for the relevant regulatory period as specified in operative part 2.3 of determination GBK-25-01-1#1 (RAMEN Strom).

[2]The credit risk rating underlying the bond index (or indices) must be consistent with that of the relevant transmission system operator for each calendar year included in the average.

[3]Account must be taken of the rating over time of the relevant transmission system operator or, if the transmission system operator does not have its own rating, of the financing majority shareholder. [4]If the credit rating agencies give a transmission system operator different ratings, the arithmetic average of the ratings must be calculated and used.

[5]The weighted cost of debt is generally calculated on the basis of the annual value of the bonds of the chosen series issued by the transmission system operator, taking into account the individual rating applicable at that time. [6]If it is not possible to reliably

allocate an amount of debt to a transmission system operator using bonds, the weighting for the cost of debt is alternatively calculated as follows: the arithmetic average is calculated of the cost of debt weightings of the other transmission system operators to whom an amount of debt can be reliably allocated. [7]The rating for the majority shareholder financing the business activity is also taken into account in this case.

[8]There is no standard markup for ancillary financing costs.

10. Actual trade tax

[1]The calculation of the network costs uses the actual trade tax under commercial law allocable to the network sector as derived from a transmission system operator's separate accounts according to (EU) 2019/944 . [2]If a transmission system operator is a controlled company, the trade tax shown under taxes on profit and income in the commercial-law income statement is only taken into account if the controlling company apportions the trade tax using a method that distributes the total trade tax effectively owed and paid between the controlled companies and the controlling company using a specially agreed allocation key.

11. Cost-reducing revenue and income

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

a) own work capitalised,

b) interest and investment income,

c) network connection cost contributions,

d) construction cost contributions,

e) investment grants or

f) other income and revenue.

[2]Income under section 140 of the Telecommunications Act (TKG) is not objectively 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 taken into account 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 8.1 sentence 4.

[5]Income from the allocation of available capacity on the interconnectors between national transmission systems as well as the use of such income must be documented in writing and used by the relevant transmission system operator in accordance with the rules laid down in Article 19 of Regulation (EU) 2019/943.

12. Calculation of the apportionable network costs of offshore transmission links

The network costs for the construction and operation of offshore transmission links that can be apportioned according to section 17f(1) sentence 1 paras 3 to 6 EnWG are calculated as set out in operative parts 3 to 11 and 13 relating to the calculation of the network costs in accordance with section 17i EnWG.

13. Efficiency incentives

[1]Tariffs must be set on the basis of the costs of operation that must correspond to those of an efficient and structurally comparable transmission system operator, taking into account incentives for efficient service provision. [2]If efficiency benchmarking of the total costs of a transmission system operator is not feasible, the Bundesnetzagentur should use other methods to ensure efficient service provision. [3]These methods can include partial benchmarking, incentive models for individual cost types with a bonus/penalty system, activity-based costing and output-based setting of costs. [4]The Bundesnetzagentur can make decisions through determinations under section 29(1) EnWG for this purpose relating to the development and design of efficiency incentives using state-of-the-art economic, econometric and regulatory methods.

13.1. Partial benchmarking

[1]Partial benchmarking involves a comparison of parts of cost areas between transmission system operators. [2]Specific performance and other indicators can be used

to assess and compare individual operating costs (OPEX). [3]Relevant indicators can include costs per unit, costs per employee and costs per process. [4]Any inefficiencies identified must be reduced over a period of three years.

13.2. Incentive models for individual cost types

[1]The Bundesnetzagentur can lay down methods for individual types of controllable costs that create incentives for maximum efficient service provision with a markup on or deduction from the permissible costs. [2]Further details will be set out in determinations under section 29(1) EnWG.

13.3. Activity-based costing

[1]Activity-based costing is a special form of accounting where costs are allocated to each business activity. [2]Activity-based costing therefore aims to record and analyse in detail the costs of individual network operation processes or activities. [3]Activity-based costing can be used to analyse individual business activities and subsequently calculate the typical costs of activities, which can then be specified for transmission system operators as targets or as costs to be reduced over a period of time. [4]Further details will be set out in determinations under section 29(1) EnWG.

13.4. Output-based setting of costs

[1]Output-based setting of allowed revenue involves setting revenue for partial services based on the output actually achieved as separate from the actual allocable costs. [2]Further details will be set out in determinations under section 29(1) EnWG.

14. Acceleration incentives

[1]If there is a proven decrease in the total redispatching volume in the system, a markup on future forecast costs will be allowed in accordance with rules to be laid down in further detail. [2]The first reference year for calculating the decrease in the total redispatching volume is 2025. [3]Further details will be set out in determinations under section 29(1) EnWG.

15. Research and development

[1]Revenue from a research and development project within the framework of state energy research funding that has been approved and is overseen by a competent

federal or federal state authority, in particular the Federal Ministry for Economic Affairs and Energy or the Federal Ministry of Research, Technology and Space, can only be deducted from the network costs up to an amount of 90%.

[2]Following completion of the research and development project, the transmission system operator must submit to the Bundesnetzagentur the notice on the examination of the proof of use and, if a price examination is carried out, the notice issued by the authority responsible for the technical and administrative examination of the project.

16. Payments to property owners and beneficial owners

16.1. Taking into account payments to property owners and beneficial owners in the network costs

[1]If a transmission system operator pays any of the following to the property owner or beneficial owner of agricultural or forestry land on whose property an overhead line or an underground cable is installed in accordance with the Federal Requirements Plan Act (BBPlG) or the Power Grid Expansion Act (EnLAG), the payments must be taken into account as acquisition and production costs of the overhead line or underground cable in the calculation of the network costs, provided that they are capitalised on the balance sheet:

a) compensation for easements in accordance with operative part 16.2,
b) premiums for an amicable agreement in accordance with operative part 16.3 or
c) reimbursement of expenses in accordance with operative part 16.5.

[2]Capitalisation of the costs is carried out at the time of the relevant payment.

16.2. Compensation for easements

[1]Compensation for easements can only be taken into account if it was paid on the basis of an agreement concluded by the transmission system operator with the property owner and a restricted personal easement to the benefit of the transmission system operator has been entered in the land register or there is a comparable security.

[2]Compensation for easements can only be taken into account up to the following amount:

a) for extra-high voltage overhead lines and direct-current high-voltage overhead lines, up to 25% of the market value of the area of the protected strip used, and

b) for extra-high voltage underground cables and direct-current high-voltage underground cables, up to 35% of the market value of the area of the protected strip used.

16.3. Premiums for an amicable agreement

[1]Premiums for an amicable agreement for the property owner can be taken into account if the conditions set out in operative part 16.2 are met and the property owner has the consent to easement notarised within eight weeks of receipt of the final offer documents from the transmission system operator. [2]They may only be taken into account up to an amount of 75% of the compensation for easement, not falling below a value of €0.50 per square metre of the area of the protected strip used and not exceeding a value of €2 per square metre of the area of the protected strip used.

[3]In the case of a beneficial owner not identical to the property owner, the premium for an amicable agreement on a usage agreement can be taken into account up to the amount of €300 if the agreement signed by the beneficial owner is received by the transmission system operator or a party authorised by the transmission system operator within four weeks of receipt of the final offer documents from the transmission system operator.

16.4. One-off payment or payment by instalments

[1]The property owner can choose whether the compensation for easement and the premium for an amicable agreement should by paid through a one-off payment or a payment in three instalments. [2]In the case of a payment by instalments, the first instalment should be paid by the transmission system operator to the relevant property owner at the latest four weeks after the entry of the easement in the land register, the second instalment ten years after and the third instalment 30 years after the entry in the land register. [3]Payment by instalments is possible for a sum of at least €10,000 per instalment.

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[4]In the case of a beneficial owner not identical to the property owner, the premium for the amicable agreement should be paid through a one-off payment within four weeks of conclusion of the agreement.

16.5. Reimbursement of expenses

[1]In order to compensate for the expenditure related to a compensation agreement and consent to entry for an easement or to the conclusion of a usage agreement, reimbursement of expenses for the property owner and for beneficial owners can be taken into account in the calculation of the network costs.

[2]Expenses reimbursed to property owners can be taken into account for the expenditure related to the conclusion of the contract and the entry of the restricted personal easement. [3]They can generally only be taken into account up to the amount of €500 per entry. [4]In the case of multiple owners, the amount must be paid on a pro rata basis. [5]If there are more than ten owners per entry, a minimum amount of €50 per owner is possible as reimbursement of expenses.

[6]Expenses reimbursed to beneficial owners not identical to the property owners can be taken into account for the expenditure related to the conclusion of the usage agreement. [7]They can only be taken into account up to the amount of €300 per agreement. [8]In the case of multiple beneficial owners, the amount must be paid on a pro rata basis. [9]If the beneficial owner is also the property owner, the amount is not payable but is covered by the reimbursement of expenses for the property owner.

17. Compensation payments to towns and municipalities

[1]If a transmission system operator makes payments on the basis of an agreement with towns or municipalities or associations representing towns and municipalities to towns or municipalities in whose area an overhead line is installed on a new route, the payments can be taken into account in the calculation of the network costs, provided that planning approval for the relevant section of the line is applied for by 31 December 2032. [2]The condition is that it is a project listed in the BBPlG and the EnLAG. [3]The rule is restricted to extra-high voltage overhead lines of at least 380 kilovolts and direct-current high-voltage overhead lines of at least 300 kilovolts. [4]A one-off payment of up to €40,000 per kilometre is possible. [5]Payment is made after

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the line has actually been put into operation. [6]Payments can be taken into account in the calculation of the network costs if they are capitalised on the balance sheet as acquisition and production costs or as ancillary construction costs or have been booked as current expenditure.

18. Evaluation

The Bundesnetzagentur will evaluate the rules laid down in this determination and the supplementary rules laid down in determinations under section 29(1) EnWG at the latest by 31 December 2034 with regard to an adjustment of the system of rules after 2037.

19. Payment of costs

No fees are payable for the decision.

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Annex 1: 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
		- 380 kV or higher underground cables (HVDC)	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
	2.3	Stations with electrical equipment	
		- 380/220/110/30/10 kV stations	25
		- 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
	2.6	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

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