



# ENTSOG Capacity

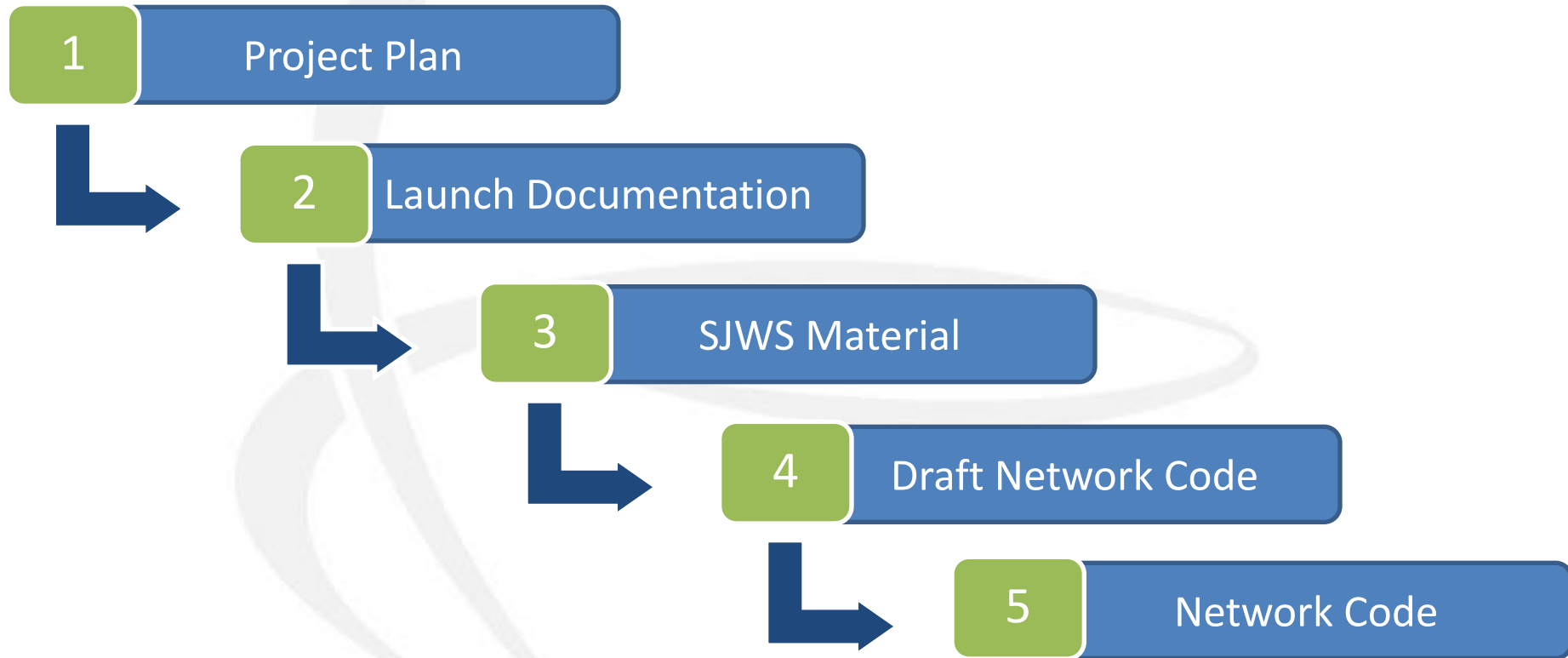
## Development of the CAM network code

**Frank Roessler**  
*Subject Manager*

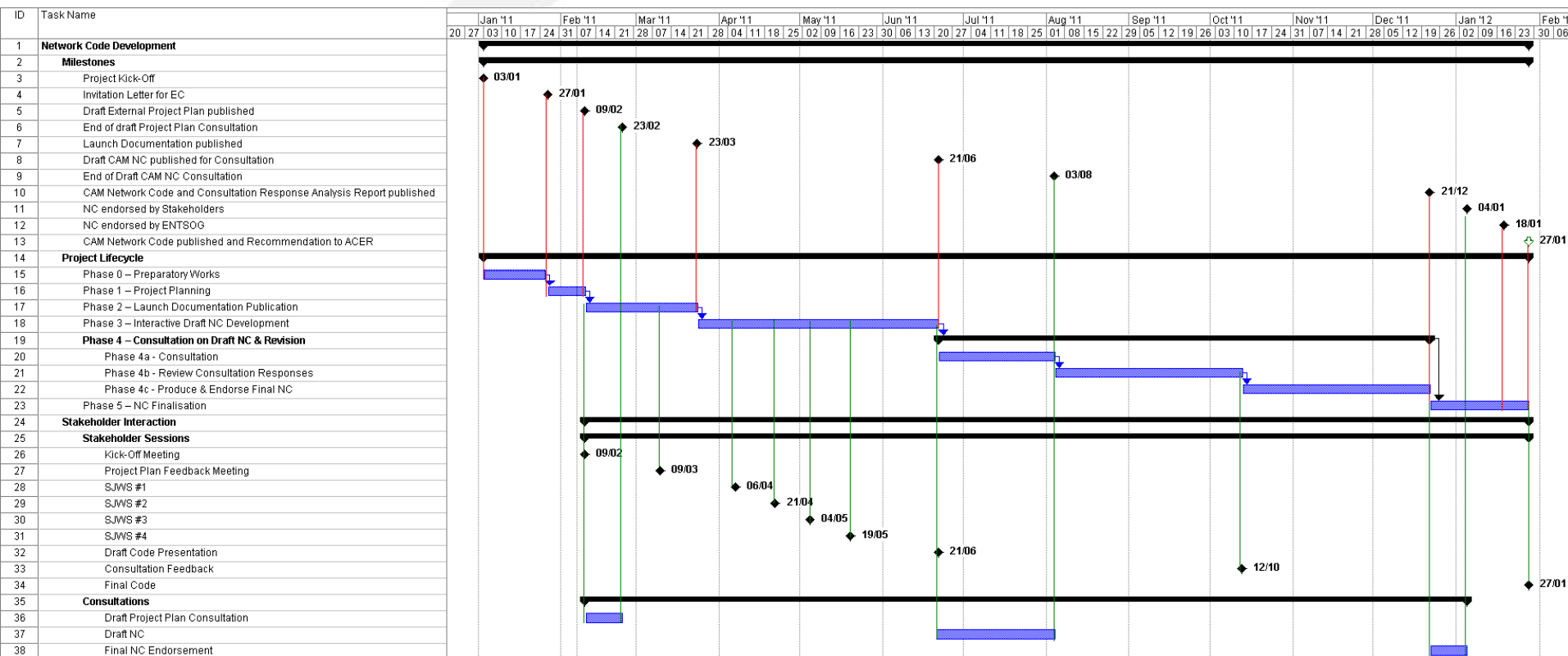
Madrid Forum XIX – 22<sup>nd</sup> March 2011

# 1. Planning the twelve months period

**From the plan to the code**



# 1. Planning the twelve months period



- Process characterised by interactive engagement of market parties
- 9 + [x] meetings and 3 consultations / written procedures planned

# 1. Planning the twelve months period

- Preparatory work allowed for two weeks consultation
  - Late responses received have been treated to ensure maximum adherence to the process
- 34 stakeholder reactions received
  - All have been published, with ENTSOG view on each relevant comment
- General feeling from the consultation
  - Strong emphasis on stakeholder involvement is appreciated
  - Proposed balance between interactive code development and formal consultation supported
  - Planning considered credible given the tight time-scale

Stakeholders expressed support of the project plan

# 1. Planning the twelve months period

## 5 Prime Movers

Participant	Name	Company
1	Friedrich von Burchard	E.ON Ruhrgas
2	Claude Mangin	GDF SUEZ
3	Alex Barnes	Gazprom Marketing and Trading
4	Helen Stack	Centrica
5	Kees Bouwens	ExxonMobil

Participant	Name	Company
1	Ralf Presse	RWE S&T
2	Mathieu Lanéelle	Total
3	Peter J. Zehetner	Tauerngasleitung
4	Valentin Höhn	VIK / IFIEC
5	Steinar Solheim	Yara / IFIEC
6	A.J. Algra	Gasterra
7	Francesca Zanella	Eni S.p.A
8	Andrew Pearce	BP
9	Mark Dalton	BG group
10	Dirk-Christof Stüdemann	EnBW
11	Bernardo RANGONI, Guiseppe Lorubio	Eurelectric
12	Margot Loudon	Eurogas
13	Martina Beitke	CEFIC
14	Lieven Stalmans	Borealis
15	Christian Thole, Carmen Gimeno	Geode
16	Gunnar Steck	E.ON Energy Trading
17	Christiane Sykes	Statoil
18	Manuel Coxé	EuroPEX

## 18 SJWS Participants

# 1. Planning the twelve months period

## Project phase 1 – review ✓

- CAM NC project plan published and consulted

## Project phase 2 – outlook ✓

- Finalisation of project plan
- 2<sup>nd</sup> stakeholder meeting on the 9<sup>th</sup> of March 2011
- Preparation and publication of “launch documentation”
  - Key concepts for Stakeholder Joint Working Session” (SJWS)

	Green (Controlled)	Yellow (Caution)	Red (Critical)
Schedule <sup>1</sup>	X		
Content	X		

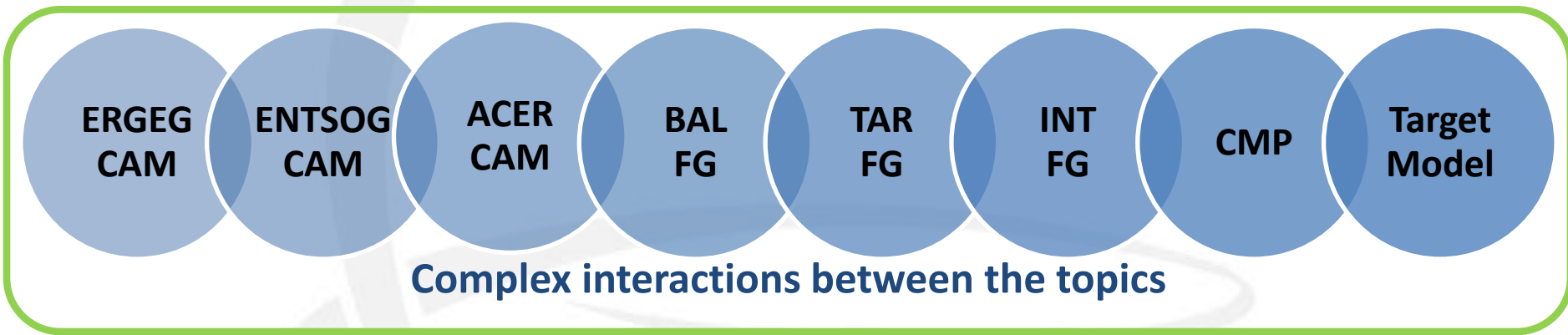
## Project phase 3 – outlook

- Interactive network code development – SJWS
- Drafting of the network code until June 2011

# 1. Planning the twelve months period

## Handling of parallel streams

- Outcome of other developments (e.g. ACER CAM FG) crucial



- Early understanding of amendments essential
- Close working relationship between ACER, Commission, users and ENTSOG crucial
- Any change will require revision of planning/content

## 2. Approach for the code development

### Interactions with stakeholders

- Code development characterised by continuous stakeholder involvement
- Various bilateral meetings with organisations and stakeholders held
  - Requests always welcome
  - Identification and discussion of (early) views crucial
- Network code development consultations

#	Period	Topic
1	9 <sup>th</sup> – 23 <sup>rd</sup> February 2011	Draft Project Plan + User involvement
2	22 <sup>nd</sup> June – 3 <sup>rd</sup> August 2011	Draft CAM network code
3	21 <sup>st</sup> Dec 2011 – 4 <sup>th</sup> Jan 2012	Network code support



## 2. Approach for the code development

### Interactions with stakeholders

- Scheduled meetings until release of draft network code

#	Date	Meeting
1	9 <sup>th</sup> February 2011	Kick-off meeting
2	9 <sup>th</sup> March 2011	2 <sup>nd</sup> stakeholder meeting
3	6 <sup>th</sup> April 2011	SJWS 1
4	21 <sup>st</sup> April 2011	SJWS 2
5	4 <sup>th</sup> May 2011	SJWS 3
6	19 <sup>th</sup> May 2011	SJWS 4
7	21 <sup>st</sup> June 2011	Draft network code presentation
8	12 <sup>th</sup> October 2011	Consultation feedback session
9	27 <sup>th</sup> January 2012	Final code presentation

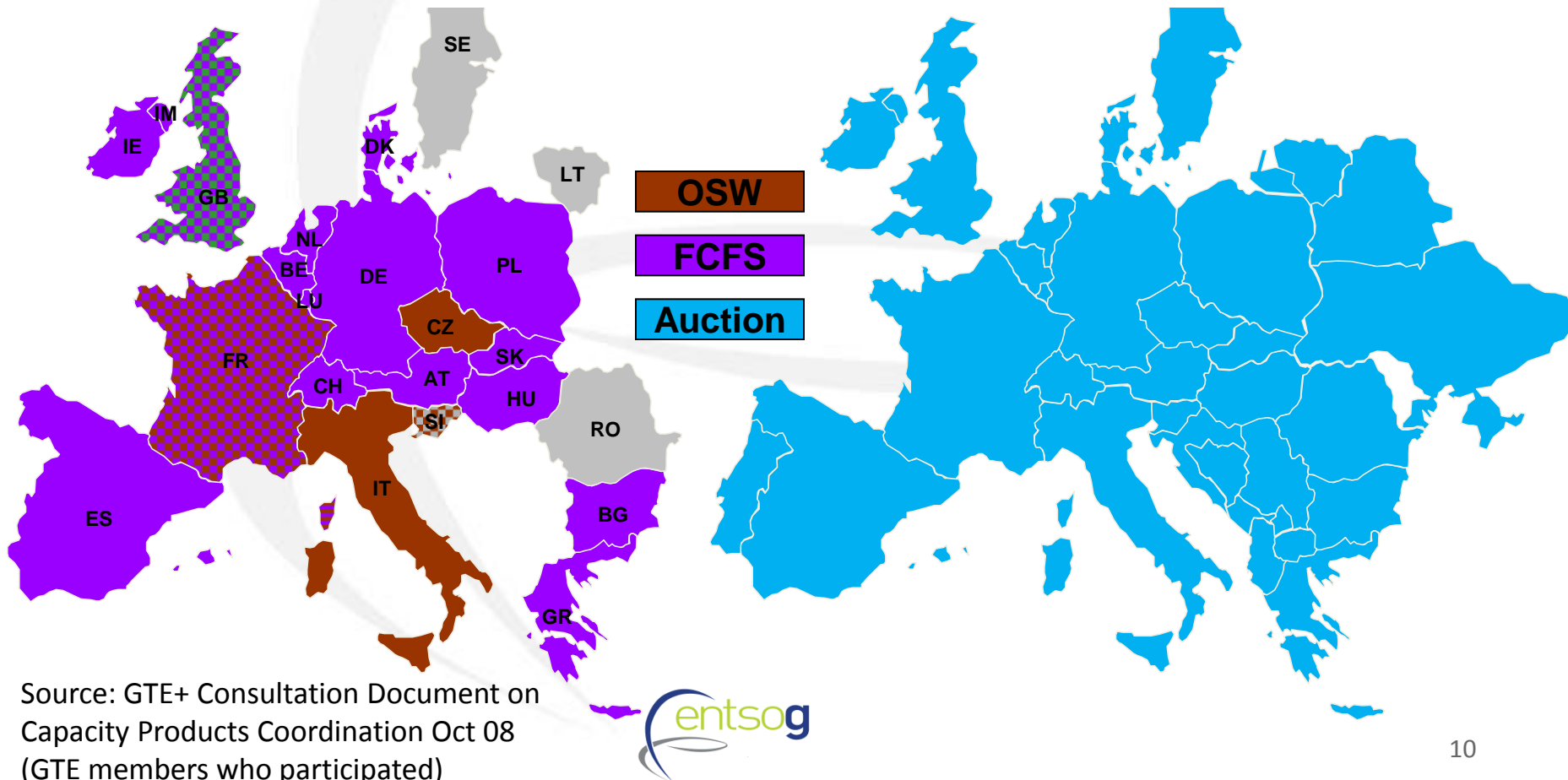


### 3. Key network code concepts

## Auction design – ENTSOG objective and challenge

## Past

## Future



# 3. Key network code concepts

## Work towards harmonised auctions

- Concept for auction design developed
- Work-in-progress already presented during 2<sup>nd</sup> NC stakeholder meeting on the 9<sup>th</sup> of March 2011
- Positive feedback
- Details under development
- Design for debate during SJWS

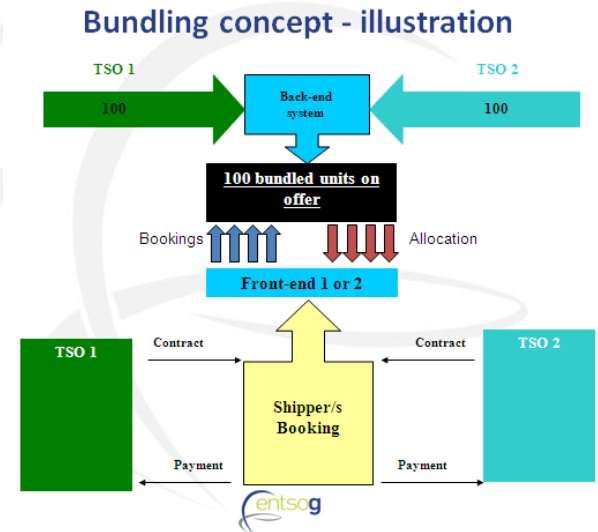
### Auction Calendar



# 3. Key network code concepts

## Role of bundled services

- ERGEG framework guideline requires bundled capacity
- ENTSOG is working on a model for existing available capacity
- Features
  - Single booking interface
  - Only trading at the hubs
  - One flow nomination
- Requires large interaction between TSOs on
  - Data exchange
  - IT development
  - Capacity coordination
  - Operations



### 3. Key network code concepts

#### Interruptible services and procedures

- CAM framework guideline

Interruptible capacities services shall be “aligned” and interruption procedures shall be harmonised

- Interruptible service coordinated between adjacent TSOs
- Interruptible capacity can be allocated via a separate auction
  - Could be held after firm capacity has been allocated
  - If offered, such auctions should be conducted according to the same design principles as firm capacity
- Interruption lead times and procedures standardised
  - Options developed for consultation

### 3. Key network code concepts

#### **ENTSOG assumptions to define the code**

- Proposed concepts should not be financially undermined
- Tariff design to encourage appropriate user bookings
  - Long-term commitments to fairly apportion costs and risks
  - Rules to provide business opportunities for suppliers, whole sale, traders, importers, etc.
- Arrangements must allow TSOs to generate their revenues
- Should be understood that associated costs are acknowledged
  - Human resources and related expenses
  - Sophisticated (real-time) IT systems need to support regime

## 4. Conclusions

- > ACER, Commission and ENTSOG to coordinate the parallel processes
- > Take account of the interlinks of other areas
- > Definition of straight-forward rules require a common understanding on pre-conditions to generate confidence
- > Concepts discussed with market during SJWSs
- > Implementation is the key (economical viability and timelines)

- All parties must be fully engaged in the processes
- Communication fully supported by the ENTSOG website

# Thank You for Your Attention

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