

## Responses to CAM Network Code – second formal consultation on new or modified concepts

### *Consultation Response Sheet*

Please complete the fields below and send via email using the subject title, “Response to the CAM NC consultation” to [info@entsog.eu](mailto:info@entsog.eu) by 14 November 2011.

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How would you describe your organisation?

<input type="checkbox"/>	Association (please specify type)
<input checked="" type="checkbox"/>	End user
<input type="checkbox"/>	Network user
<input checked="" type="checkbox"/>	Trader
<input type="checkbox"/>	Other (please specify)

In the questions below, ENTSG would be grateful if respondents could clearly indicate their preferred option and provide a brief but **fully reasoned justification** for their choice. This applies equally whether you agree or disagree with any ENTSG proposal as it is important that ENTSG is able to extract the clear views of all respondents. If you do not respond to a question, ENTSG will assume that you have no view on this issue.

**Question 1 (Standard Capacity Products to be auctioned): which option do you prefer, and why?**

<input checked="" type="checkbox"/>	Option 1: Quarterly only
<input type="checkbox"/>	Option 2: Integration of yearly product (Post consultation proposal)

In the first place we would like to underline once again , that we do not think that long term capacity bookings above 5 years are necessary in a dynamic and competitive market. Nevertheless, we accept that the question is not anymore whether long term bookings or auctions should exist or not, but how they should be organized.

We clearly prefer quarterly auctions. All market participants should be allowed to use all instruments of flexibility they prefer and choose also the way they want to use them. Capacity auctions for 60 quarters instead of 15 years give at least more possibilities for profiling and allow TSOs to determine more accurately real capacity needs. Shippers can combine storage use, flexibility from supply contracts and flexibility from managing customer portfolios better based on quarterly products.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 2** (Start date for yearly product): which option do you prefer, and why?

☒ Option 1: Yearly product starts on 1<sup>st</sup> January

☐ Option 2: Yearly product starts on 1<sup>st</sup> October

We do not prefer yearly products, we prefer quarterly products. We believe that if quarterly products are offered in long term auctions, the question whether yearly products should start on October 1<sup>st</sup> or January 1<sup>st</sup> will not be relevant anymore.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 3** (Auction algorithms: overall methodology): which option do you prefer, and why?

☒ Option 1: Multiple round ascending clock auction

☐ Option 2: Single round volume based auction

We prefer multiple round ascending clock auctions, because we believe that results from such auctions are more accurate.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 4** (Limitation of price steps): which option do you prefer, and why?☒ Option 1: Do not limit number of price steps (Post consultation proposal)☐ Option 2: Limit number of price steps

We prefer not to limit the number of price steps, because pro rata allocation of capacity means that no shipper is able to book the capacity which he needs. We think that pro rata allocation should be avoided in any case.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 5** (Minimisation of unsold capacity): which option do you prefer, and why?☐ Option 1: Minimise unsold capacity (Post consultation proposal)☒ Option 2: Draft CAM NC proposal

We prefer the draft CAM NC proposal. In addition we would like to make sure that unsold capacity will be made available in short term auctions up to 1 year.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 6** (Sunset clause: choice of default rule): which option do you prefer, and why?

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | Option 1: Maximum default rule with cap at technical capacity |
| <input type="checkbox"/> | Option 2: "Partially unbundled" default rule                  |

No specific view.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.

**Question 7** (Sunset clause: further questions): Please provide any views, information or evidence in relation to the further questions raised by ENTSG in section F.2 regarding the sunset clause.

No specific view.

**Question 8** (Tariffs: split of auction premium from bundled products): which option do you prefer, and why?

☐

Option 1: Keep split of auction premium proportional to reserve prices as default (Post consultation proposal)

☐

Option 2: Split of auction premium into equal shares as default

No specific view.

Please justify your choice. ENTSG would particularly welcome any views on why the alternatives to your preferred option may not be technically feasible.