

**Gas System
Operator**

EU Update

Transmission Workgroup

7 February 2019

nationalgrid



End of clock change - update

- **ENTSOG has met with the EC and European Parliament concerning the impact on EU gas stakeholders of discontinued seasonal time changes**
- **Implementing the proposed Directive has two types of potential impacts:**
 - Potential changes to text in EU gas legislation
 - Some EU codes make specific references to summer and winter time
 - Potential changes to IT systems, and text in contracts and connection agreements
 - IT systems which are used to provide time-stamped information
 - Capacity contracts and connection agreements which reference summer and winter time

End of clock change - update

- **ENTSOG does not currently anticipate that implementing the proposed Directive will not result in significant issues for the gas industry, except the timing of the changes to be implemented.**
- **ENTSOG proposes that sufficient time is allowed to undertake the necessary work to change the text of EU Gas legislation, update the relevant IT systems and update the necessary contracts and interconnection agreements.**
- **Initial estimate for an appropriate implementation timescale is approximately 18 months.**

Other ENTSOG Activities

- **ENTSOG has initiated work in support of the EU Gas 2020 Package. This includes consideration of:**
 - Developing position on harmonisation of tariffs and revenue methodology
 - Tailor-made regulation (i.e. identifying changes to regulations that address specific national or cross-border issues)
 - Capacity/commodity release
- **FUNC 2.0: Planned Improvements**
 - Making the platform more public
 - Enhanced user-friendliness
 - Improved direct contact with users
 - Status change of posted issues
 - Communications regarding consultations

ACER analysis on the national tariff consultation documents

TAR NC Consultation Requirements

- Article 26 requires industry consultation on proposed charging regime
- The consultation process should be finalised by 31 May 2019 as per Article 27(5).
- This requires ACER to respond to each consultation
- See:
http://www.acer.europa.eu/en/Gas/Framework%20guidelines_and_network%20codes/Pages/Harmonised-transmission-tariff-structures.aspx
- The NRA can then deliver its final “motivated decision”
To date, there have been 20 consultations (GB process has been included in this list) of which ACER has responded to 9
- NRAs have delivered their final motivated decisions on 3 consultations
 - Northern Ireland, Sweden & The Netherlands
 - Northern Ireland has chosen to maintain proposed methodology despite ACER’s criticisms
- In general, ACER has been critical of all consultations for lack of justification in certain proposals, and some proposals have been deemed to be non-compliant

ACER analysis on the national tariff consultation documents

1. The Netherlands (closed): [National Consultation](#) | [Template](#) | [ACER Report](#) | [NRA motivated decision](#)
2. Sweden (closed): [National Consultation](#) | [Template](#) | [ACER Report](#) | [NRA motivated decision](#)
3. Northern Ireland (closed): [National Consultation](#) | [Template](#) | [ACER Report](#) | [NRA motivated decision](#)
4. Romania (closed): [National Consultation](#) | [ACER Report](#)
5. Denmark (closed): [National Consultation](#) | [ACER Report](#)
6. Portugal (closed): [National Consultation](#) | [Template](#) | [ACER Report](#)
7. Slovenia (closed): [National Consultation](#) | [Template](#) | [ACER Report](#)
8. Poland (closed): [National Consultation](#) | [Template](#) | [ACER Report](#)
9. Poland West Europe transit gas pipeline (closed): [National Consultation](#) | [Template](#) | [ACER Report](#)
10. IUK (closed): [Consultation](#) | [ACER Report](#)
11. Belgium (closed): [National Consultation](#) | [Template](#)
12. Greece (closing date 15 January 2019): [National Consultation](#) | [Template](#)
13. Germany (closed): [National Consultation](#)
14. Italy (closed): [National Consultation](#)

ACER analysis on the national tariff consultation documents

15. The Czech Republic (closed): [National Consultation](#)
16. Slovakia (closed): [National Consultation](#) | [Template](#)
17. Hungary (closing date 15 January 2019): [National Consultation](#) | [Template](#)
18. Ireland (closing date 11 February 2019): [National Consultation](#) | [Template](#)
19. Croatia (closing date 18 February 2019): [National Consultation](#) | [Template](#)
20. **Great Britain:** [NRA Decision \(20 December 2018\)](#)

EU Data Exchange Update

- An issue was raised in early 2018 on the ENTSOG Functionality Platform that storage operators and market area managers in Germany are not bound to implement the Common Data Exchange Solutions specified in the EU Interoperability Code (specifically Edigas-XML format with AS4 protocol)
- As a result, shippers had to use AS2 protocol in order to make nominations at storage points and trade nominations at virtual trading points (VTPs)
- Some shippers in Germany claimed that they faced extra costs in maintaining AS2 when they had already invested in Edigas-XML AS4
- National Grid first advised the Workgroup of this issue in March 2018 and has provided updates since that time
- The ACER/ENTSOG consultation process has now concluded and an announcement has been made on a proposed solution which entails amendments to the Interoperability Code

FUNC Issue on Data Exchange: Proposed Solution

- Clarify that data exchange harmonisation is also applicable to VTPs from a common future date
- Clarify that parties carrying out data exchange on behalf of TSOs (such as Market Area Managers) are also bound by the Code in this respect
- Leave discretion to NRAs in application beyond the scope of the Code (IPs + VTPs) to other points (storage points, LNG terminals) and deciding on the implementation date
- Proposed text changes within the INT Code have been prepared and published at <http://www.gasncfunc.eu/> (NB. New users have to create an account to view the platform)

A Network Code amendment process is the next step. This will not happen quickly because of the EU parliament elections in 2019 and the on-going discussions on the EU Gas 2020 Package.

FUNC Issue on Data Exchange: GB Impact

- At present, National Grid's primary method of data exchange for nominations is the Information Exchange (IX), with Edigas as an option at the IPs
- In order to comply with the proposed EU Code amendment, National Grid would need to extend the Edigas option from IPs only to the submission of NBP trade notifications
- We have heard from a number of GB shippers that more widespread use of Edigas within GB would be beneficial
- We are also engaging with customers and stakeholders about the future of Gemini in the RIIO-T2 period
- We will therefore be issuing a consultation to the industry in February 2019 on the future of data exchange in GB

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