



# AUGHINISH ALUMINA

28 FEBRUARY 2018



## UNC 0636 [D] – Why IP Exemption?

- ❑ Article 28(1) of TAR NC requires the NRA to consult with NRAs of all directly connected member states and the relevant stakeholder on various matters at interconnection points. 0636 modification does not comply with this requirement
  - ❑ Ofgem Consultation on TAR Implementation (Closed 6 Nov'17) proposed to align the stakeholder consultations required for 0621 and TAR by using a single consultation document that satisfies the requirements of both
    - ❑ Mod 0621 includes review of OCC with the recommended solution for Oct 2019 being subject to a full review by ACER and neighbouring NRAs
    - ❑ By including IPs, 0636 ignores the Ofgem proposal and duplicates the consultation
  - ❑ Moffat exit point is critical for security of supply to the island of Ireland
    - ❑ TAR permits differential treatment of IPs as an homogenous group of points used for a specific purpose, and further differential treatment of IPs to and from isolated gas networks, for security of supply purposes
    - ❑ No transitional arrangements are currently proposed under 0636 and the disruptive impact of 0636 to security of supply to the island of Ireland will not be fully assessed or understood in the short timescale proposed
  - ❑ **Exemption of IPs from 0636 removes duplication and the requirement for the matters of TAR Article 28.1 to be addressed with neighbouring NRA and ACER involvement**
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# QUESTIONS



**THANK YOU**



## *Article 28*

### *Consultation on discounts, multipliers and seasonal factors*

1. At the same time as the final consultation carried out in accordance with Article 26(1), the national regulatory authority shall conduct a consultation with the national regulatory authorities of all directly connected Member States and the relevant stakeholders on the following:
  - (a) the level of multipliers;
  - (b) if applicable, the level of seasonal factors and the calculations set out in Article 15;
  - (c) the levels of discounts set out in Articles 9(2) and 16.

After the end of the consultation a motivated decision shall be taken in accordance with Article 41(6)(a) of Directive 2009/73/EC on the aspects referred to in points (a) to (c) of this paragraph. Each national regulatory authority shall consider the positions of national regulatory authorities of directly connected Member States.

2. The subsequent consultations shall be conducted every tariff period as from the date of the decision referred to in paragraph 1. After each consultation and as set out in Article 32(a), the national regulatory authority shall take and publish a motivated decision on the aspects referred to in paragraph 1(a), (b) and (c).

3. When adopting the decision referred to in paragraphs 1 and 2, the national regulatory authority shall take into account the consultation responses received and the following aspects:
  - (a) for multipliers:
    - (i) the balance between facilitating short-term gas trade and providing long-term signals for efficient investment in the transmission system;
    - (ii) the impact on the transmission services revenue and its recovery;
    - (iii) the need to avoid cross-subsidisation between network users and to enhance cost-reflectivity of reserve prices;
    - (iv) situations of physical and contractual congestion;
    - (v) the impact on cross-border flows;
  - (b) for seasonal factors:
    - (i) the impact on facilitating the economic and efficient utilisation of the infrastructure;
    - (ii) the need to improve the cost-reflectivity of reserve prices.