

## European Developments



Transmission Workgroup  
6<sup>th</sup> June 2013

# EU Gas Balancing Code



## NTS Comitology Position

---

- NG NTS believe the code meets the requirements set out in the Framework Guidelines and it is broadly consistent with the gas balancing arrangements in GB
- Therefore we have informed DECC we support the code going through comitology with no amendments
- The pre-comitology meeting is on the 28<sup>th</sup> May and we are to meet up with DECC prior to the July comitology meeting
- As highlighted last month, implementation timescales are a major challenge for GB and we intend to write to Ofgem for approval of an additional 12 months (up to 24 months in total) to implement the code

# EU Interoperability & Data Exchange Network Code



Update for Transmission Workgroup

6<sup>th</sup> June 2013

## Current Position

---

- ENTSOG's public consultation on the draft Code closed on 26<sup>th</sup> April 2013
- ENTSOG has invited further views on amendment proposals from TSOs and stakeholders
  - Conclusions Workshop held on 28 May 2013
- ENTSOG's cost-benefit analysis for common data exchange solutions has been published for consultation until 10<sup>th</sup> June 2013
- This presentation summarises the main issues raised in consultation and describes the next steps for this Code

# Consultation Issues:

## 1. Interconnection Agreements

---

- ‘Allocate as nominate’ with OBA was the preferred allocation mechanism
  - ‘Fall-back’ solution if OBA limits reached
- Measurement principles changes subject to consultation?
- Measurement errors outside close-out periods
- ‘Default rules’ should be clearer
- ‘Lesser rule’ the only matching rule?
- Exceptional events – link to REMIT

## Consultation Issues: 2: Common Units

---

- Main challenge from CEN that ENTSOG's proposed reference temperatures are not in line with those used CEN standards
- A table to facilitate conversion might be included

# Consultation Issues:

## 3. Gas Quality

---

### Managing Differences

- Issue of 'responsibilities'
- Market participants may identify a gas quality 'barrier'
- New interconnection points should be in scope as well as existing ones

### Short Term Monitoring

- Mixed views on publication of CV and wobble at IPs
- General support for site specific information provision to be determined at a national level

### Long Term Monitoring

- Welcomed but access to data identified as an issue



## Consultation Issues:

### 4. Odourisation

---

- Defaulting to non-odourised transmission regime may not necessarily be the right answer
  - Complete de-odourisation may not be possible
- Public consultation requested for any change proposals

## Consultation Issues:

### 5. Data Exchange

---

- Distribution companies argued they should be specifically exempt
- Implementation timescale
- Ability of ENTSOG to update common solutions outside comitology process
- Stakeholder involvement required in development of 'common network operation tools'
- ENTSOG are currently consulting on a cost-benefit analysis to inform the common IT solutions

## Consultation Summary

---

- In most cases, stakeholders sought amendments to existing text rather than fundamental demands for change
- Key themes emerging were:
  - More transparency
  - Clearer default rules
  - Stricter obligations and timescales for TSOs

## Next Steps

---

- TSO consultation (closed on 30 May 2013)
- Key issues for National Grid NTS:
  - OBA should remain as default rule, not mandatory term
  - Flexibility to deviate from common units where parties agree
  - Publication of gas quality data should be limited to IPs where there is no commingling
  - The term 'Edig@s' should be removed from the common data exchange solution
- Data Exchange CBA consultation (closes 10 June 2013)
- Internally, we are working up our initial views on GB implementation of this Code and will share this with the Workgroup in July/August

# Code Status Update

Code	Current Status	Implementation date
Congestion Management (CMP)	Ofgem issued a letter re implementation of Congestion Management Principles in GB on 12 March, industry responses required by 29 April. Mod UNC 0449(NG raised CMP ) currently being developed via UNC 0449 Workgroup last meeting 10 May next meeting 6 June.	1st October 2013 (Fixed)
Capacity Allocation Mechanism (CAM)	Second comitology held 15 April 2013. CAM approved for EU Wide Implementation at relevant EU IPs 1 November 2015	1 November 2015 (Fixed)
Gas Balancing	ACER have approved the code 20th March with comitology due to start in July 2013.	Feb 2015/Feb 2016 (subject to NRA approval for additional 12 months to implement) Estimated
Interoperability	ENTSOG's public consultation on the draft Interoperability Code closed on 26th April 2013. ENTSOG has reviewed consultation responses and has invited further TSO and stakeholder views on Code amendment proposals. A cost-benefit analysis of proposals to support the Data Exchange code provisions has been published for public consultation which closes on 10th June 2013.	2015 (Estimated)
Tariffs	Final FGs extended until Q4 2013 to allow more consideration of Cost Allocation methodology. ACER consultation on Cost Allocation methodology section of FGs expected July/August with stakeholder workshop anticipated in July.	Estimated earliest mid January 2017
Incremental Capacity	CEER blueprint for Incremental Capacity to be discussed at Madrid Forum. CEER expected to hand over to ACER by June 2013. CEER-ACER joint workshop to be held 3 June (Brussels).	TBC



## Future EU Updates

---

- Timetable aims to highlight the key items (consultations, workshops, decisions, etc.) National Grid NTS expect to cover via this agenda item in the forthcoming months

Topic	TX Workgroup
<ul style="list-style-type: none"><li>• CAM update</li><li>• Interoperability Code implementation - NG NTS initial thoughts</li></ul>	July July/ August