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19.01.2006 17:52 To
"gasroadmap@ergeg.org" <gasroadmap@ergeg.org>
cc

bcc

Subject
High level comments on EU Gas road map: for info

Hello,

I would like to send in some quick observations. Please excuse the rather draft format.

This consultation deals with the creation of regional gas markets in the hope that this will one day create a single EU gas market. CIA is generally

in support of the work proposed in the road map consultation. However, there are a number of specific points that we would like to raise:

- * With respect to a successful trading hub we would like to make a comment about the NBP. There is trading at the NBP in the short term, i.e up to a month ahead, however, in the longer term there is little liquidity at this trading hub. We support successful trading hubs and hope that the action plan to be published through this work will result in increased liquidity at the NBP.

- * We require a steering committee to look at any issues that could arise between the regions, to ensure that eventually a single EU gas market can be developed.

- * We want to ensure that consumers are included in the steering committees and are not sure that this is the case from the consultation paper.

- * We welcome that this committee will engage with the Madrid Forum, however, we are concerned that work from the Madrid Forum has not been progressed as planned, for example, the GGPSSO have not been implemented in each Member State.

- * Consumers have been lobbying for the same issues for five years, for example, access to networks, GGPSSO, and data transparency. We are unsure why this work requires one year of meetings before an action plan can be produced in January 2007.

- * We note that the implementation plan will not be published until January 2007, we would not wish this process to slow any actions that DG Comp identify through their sector inquiry this year.

- * We have been discussing the issue of dominant players and have explored the possibility that powerful players should be required to trade a

certain volume of gas on hubs or release gas and sell directly to end consumers. We would like the steering groups to discuss this issue.

- * We support entry/exit transaction costs.

- * We are in agreement with the regions proposed in the consultation paper but also note that these regions may include different pricing mechanisms and physical and/or contractual constraints within these regions.

We are working with IFIEC on this issue and are in support of their work in

this area.
I hope this helps to set the scene.
Kind regards,
Helen

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