

**VNG comments to:  
ERGEG Report on Monitoring the Implementation of the GGPSSO  
dated 7 September 2005**

General remarks:

In the report it is recognized that SSOs have made progress towards a full implementation of the guidelines. Nevertheless emphasize is put on the insufficient implementation of the provisions by several SSOs. In this respect it has to be noticed that only GSE members in the negotiations with ERGEG have committed to implement the Guidelines. SSOs not being member of GSE are therefore not in the scope of an analysis even though they have adopted many provisions of the guidelines.

More than 95 % of the GSE members fulfill the guidelines to a very large extent. A monitoring among GSE members only would come to a much higher level of implementation.

In order to protect confidential information and commercial interests of users as well as to prevent market abuse of information the "lesser than three rule" was agreed among all parties as provision in the guidelines. VNG and several other SSOs have reverted to this rule. It is therefore not appropriate that SSOs invoking this provision are automatically mentioned as not implementing the GGPSSO as given in the table (page 27 of ERGEG monitoring report). As the market matures the situation will improve. SSOs are already willing to cooperate and are open to discussion with users to overcome the current thresholds.

In Germany the national regulatory authority Bundesnetzagentur (established in July) is not the relevant authority and has very limited powers in the field of storage. Therefore SSOs are not obliged to transfer information to the regulatory authority, neither is the Bundesnetzagentur empowered to ask for it. In the report this state of art is taken into account to some extent. Nevertheless the report states that NRAs were not informed about the non-publication of data or in the case of exclusion of capacity from TPA. But as no legal basis for such notification procedures and no competencies of the NRA exist in Germany these provisions of the GGPSSO can not be demanded.

VNG specific comments:

5.1.d. of the GGPSSO require cost efficient solutions for the local separation of the SSO and the supply. Location in separate buildings was required only if it would be a proportionate measure. Currently such a measure would be inadequate compared to the size of the storage department in VNG. This would add additional costs which in a light of a more competitive environment are not affordable.

Under point 8 (Transparency requirements) of the monitoring report it is stated that VNG with respect to the implementation of the provisions 6.5a (capacity data published) of the GGPSSO does not publish data for available and contracted or held storage capacity. This is incorrect. On our website we publish technical, contracted (booked) and available capacity as correctly marked in the VNG response to the questionnaire under 6.2. Reason for the inaccurate statement in the report is

probably occurring from a misinterpretation from our side. In 3.1 of the questionnaire we marked the information concerning the data for available and contracted capacity as confidential. Confidential is only the data about the current level of gas, i.e. the used capacity, in the storage. Information about the technical, the booked and thus the free capacity (for bookings) is generally available.