



CEER 2013 Work Programme

Enagás response to CEER's public consultation

30 July 2012



1. Details on the contributing stakeholder

Representation: Industry

Contact details: Lucía Mora (lmora@enagas.es)

Name: Enagás

Address: Paseo de los Olmos 19, 28005, Madrid

Publication: YES

2. Comments

General Comments

The role of CEER after the constitution of ACER should be clearly defined. CEER should not have a role on ACER tasks unless explicitly mandated by the European Commission.

CEER claims that there is "a clear overlap in our respective membership and the regulatory focus of our activities, CEER works closely with and supports the work of ACER, as well as pursuing a broader variety of issues of interest to regulators. Regulators themselves contribute significant resources to developing ACER's deliverables"

While some exceptional situations were acceptable for 2011 and 2012, which was considered a transition period, this issue should be solved by 2013, not being an excuse for CEER to take over ACER's duties with no legal guarantee for stakeholders on the transparency of the process. Being ACER an agency for cooperation of CEER members, tasks under ACER's competencies should be, even by the same people, formally developed by ACER.

Deliverable 7: CEER Status Review on the Transposition of Unbundling Requirements for TSOs and DSOs

Unbundling is one of the pillars of the 3rd Package and an indispensable prerequisite for the proper functioning of the internal energy market. This report aims to share information on the certification of TSOs and the implementation of new DSO unbundling rules.

As regards the deliverable "CEER Status Review on the Transposition of Unbundling Requirements for TSOs and DSOs", it should be noted that it is ACER's roles to Advice to the Commission on the certification of Transmission System Operators (TSOs).

CEER work should focus on the fulfilment of requisites by DSOs, for which ACER has not planned any particular action.

Deliverable 13: CEER Monitoring Report on the LNG Transparency Template and the Consistency of European LNG Provisions with Future Network Codes

A monitoring exercise will be performed taking into consideration current 3rd Package LNG provisions. In particular, the implementation of transparency requirements in national systems, through the transparency template recently developed by GLE and CEER, will be assessed.

If necessary, recommendations for improvements will be communicated to LSOs. Later on, an assessment of the consistency between the provisions of the future network codes and the 3rd Package LNG provisions will be carried out. If this reveals shortcomings, CEER could propose actions so as to fill the regulatory gap.

The development of the LNG Transparency Template was welcomed by Enagás as a member of GLE and has worked hard to implement it on our website to facilitate access to information to LNG terminals users. However, Enagás would like to point out that the implementation of the Transparency Template was done on a voluntary basis and that this tool is not requested by the 3rd Package LNG provisions.

Deliverable 14: CEER Compliance Monitoring Report on the Implementation of Transparency Rules according to Art. 19 Regulation (EC) 715/2009.

The 3rd Package brought in new legally binding transparency requirements for natural gas storage facilities. CEER will monitor compliance with these requirements and satisfaction of storage users.

The basis for this report is laid in a survey in Q3 2012, where storage system operators, storage users and NRAs provided input.

Enagás welcomes the monitoring exercise by CEER. The "Report on the Implementation of Transparency Rules according to Art. 19 Regulation (EC) 715/2009" should built on work being done by NRAs through the Regional Initiatives, in particular on the monitoring exercises, for both the implementation of the transparency requirements (REG 715/2009, Annex I, Chapter 3), and Article 19 for both LSOs and SSOs. In the case of the South Gas Regional Initiative, TSOs, LSOs and SSOs, have filled in questionnaires indicating whether they are compliant or not with the regulation, and the links to the operator's website where the information is shown.

Independent assessments by NRAs, conducted in cooperation with operators and, where relevant, consulting other relevant stakeholders, are the most effective means to ensure an objective and consistent evaluation and to identify potential areas of improvement.

Deliverable 15: CEER Status Review of the Implementation of the GGSSO for CAM and CMP for Storage

CEER has been working on improving the basis upon which the gas storage market functions, including the development of voluntary guidelines and several status reviews. In 2013, the implementation of the latest voluntary guidelines will be assessed. CEER will develop a questionnaire to assess the level of implementation of the Guidelines of Good Practice for Storage System Operators (GPSSO) regarding CAM and CMP for storage. The questionnaire will be addressed to storage system operators, storage users and NRAs. CEER will prepare a status report based on the questionnaire's results.

This analysis has been postponed to 1Q2013, ending in 4Q2013. Enagás believes that the delay in the realisation of this deliverable will provide more time for those SSOs who are lagging behind in the implementation of the GGSSO for CAM and CMP.

Deliverable 16: CEER Monitoring Report on the Implementation of the Gas Target Model

At the 18th meeting of the Madrid Forum (September 2010), European energy regulators were mandated to elaborate a gas target model (GTM) for Europe in close consultation with stakeholders. This has been achieved through a process that included a call for evidence, five workshops and a public consultation. The final GTM developed included a series of recommendations to achieve the goal of market integration. This will be followed up in 2013 with a monitoring exercise that will assess implementation of these recommendations.

Enagás believes that it is premature to carry out the monitoring report on the implementation of the GTM, and that a monitoring exercise to assess the implementation of the recommendations could be a priority for 2014.

Deliverable 17: CEER Advice on Auctions and Network Development Plans as Mechanisms for the Identification and Allocation of Incremental Capacity

The aim of this task is to develop a clear view of how to assess the need for incremental capacity based on auctions and network development plans. It takes

into account the results of the Gas Target Model public consultation, the legislative proposal on energy infrastructure adopted by the European Commission in October 2011 as well as results from the network code process based on the FG CAM. In 2012, CEER undertakes a public consultation on how to identify and integrate new capacity based on market demand and coordinated market procedures. Based on the result of the consultation and the outcome of the 2012 work, further work will be undertaken in 2013 if and where necessary.

Being aware of the importance of this issue in general, CEER is developing an integrated proposal considering the work on the network code for capacity allocation, Energy Infrastructure Package discussions, the Ten Year Network Development Plans (TYNDP) as well as CEER work on open seasons.

The 20th Madrid Forum invited NRAs together with Member States, ENTSOG and other stakeholders, to elaborate concepts on the allocation of incremental capacity so that 'new build' capacity at existing interconnection points can be integrated into a market-based approach.

The 21st Madrid Forum welcomed the work of CEER and EFET on incremental capacity and urged cooperation with other stakeholders in developing an appropriate mechanism serving the objective of completing the internal market in gas.

Enagás welcomes CEER work on this matter, and the fact that it is conducting a public consultation to ensure that all stakeholders can contribute to a high-quality outcome.¹ It must be ensured, however, that CEER's work is developed in coordination with ACER's and ENTSOG's potential role on defining mechanisms for the allocation of incremental capacity, and that any mechanism proposed is in line with the FG on CAM and the NC on CAM. In particular, Enagás notes that ACER has been invited to consider incremental capacity issues within the Tariff framework guideline development².

¹ CEER Public Consultation: CEER Market-Based Investment Procedures for Gas Infrastructure: Issues and Approaches

http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_CONSULT/OPEN%20PUBLIC%20CONSULTATIONS/Investment%20Procedures%20for%20Gas%20Infrastructure

² Framework guideline invitation on Harmonised transmission tariff structures

http://www.acer.europa.eu/Gas/Framework%20guidelines_and_network%20codes/Pages/Harmonised-transmission-tariff-structures.aspx