

ERGEG Gas Focus Group/Storage TF

Guidelines for Good Practice for Gas Storage System Operators (GGPSSO)

Questionnaire for SSOs

Introduction

The objective of this questionnaire is to collect information from SSOs to assist in monitoring the implementation of the GGPSSO as requested by the European Commission.

The GGPSSO set out the minimum requirements for the provision of fair and non-discriminatory access to gas storage (in accordance to the Gas Directive¹). Monitoring implementation of the GGPSSO is therefore important in understanding how access to gas storage is being provided.

Not all requirements under the GGPSSO are due to be implemented from 1 April 2005 – however it will be important to understand what progress SSOs are making towards implementing these later requirements.

The deadline for the completion of the questionnaire is **20 June 2005**.

If there are late or incomplete submissions after date they will be considered as "nil" returns. SSOs are required to indicate the date from which GGPSSO requirements were met –particularly where this after 1 April 2005.

In order to ensure that all interested parties are consulted, ERGEG will also send out questionnaires to national regulatory authorities and storage users. The view of storage users will be particularly important in assessing implementation of the GGPSSO.

¹ Directive 2003/55/EC of the European Parliament and of the Council concerning common rules for the internal market in natural gas and repealing Directive 98/30/EC



ERGEG intends to publish an initial report on the implementation of the GGPSSO in September 2005 and it expects to present these findings at the next Madrid Forum. ERGEG intends to issue a final report on implementation after it has an opportunity to consider responses to its initial report.

To help ensure transparency, responses to the questionnaire and other documents associated with the GGPSSO will be published on the ERGEG website. Any requests to keep information confidential will be considered in accordance with the relevant section of the GGPSSO that deals with the publication of the information. If you want any information to be treated as confidential this should be objectively justified and outlined clearly – taking into account the requirements of the GGPSSO. Any information that is to be treated as confidential should be placed in a separate appendix.

Please note that in order to allow for maximum common understanding of data, the answers provided by SSOs will be reviewed by the national regulatory authority.

Given that ERGEG's initial report will be published in September, we request that SSOs provide an addendum to their original submission if there are significant changes to the information that they provide, between 20 June and the beginning of September (1 September). This will ensure that the report is as up to date as possible and avoid misrepresenting the position of the SSOs.

Any question on this questionnaire should be directed in the first instance to:

[insert contact details of NRA]



Questionnaire

Ger	neral	
Bus	iness name of respondent: Joint Stock Company "Latvijas Gaze" (further l	LG)
ls ac	ccess to your storage system provided:	
(a)	on a regulated basis	
(b)	on a negotiated basis	
(c)	both (please provide comments below)	
	notes:1) LG has exclusive storage usage rights provided for by Shareholders Agre	ement
	2) regulated access pursuant to the Energy Law adopted on May 26, 2005	
	3) however it is expected the special Law on Energy Law implementation will be pa	assed
ls ac	ccess provided:	
(a)	to a given storage facility	\boxtimes
(b)	to a group of storage facilities in the same balancing zone	
(c)	other (please provide comments below)	
	notes:	
If ac	swer that access is provided to a given storage facility/to a group of storage, please following answers will be interpreted accordingly cess to storage is not provided to individual storage facilities, please provide y groups, how many sites within group) and specify how this is arranged:	
ans	wer:	
How	many system users own capacity rights (date of reference: 1 April 2005)?	
ans	wer: 4	
Nati	onal framework:	
(a)	do you believe that there is a conflict between the requirements of the GGPSSO and national legislation that will materially affect either your interests or your ability to comply with the GGPSSO?	
(b)	if "yes", did you notify your relevant national regulatory authority (GGPSSO	





2 Roles and responsibilities of Storage System Operators

(a)	a separate entity (i.e. ownership unbundling)	
(b)	a separate entity (i.e. legal unbundling)	
(c)	part of a "combined operator" (i.e. combined transmission, LNG, storage and distribution storage operator, legally unbundled from other activities not relating to transmission, LNG, storage and distribution system operations)	
(d)	part of a vertically integrated company (i.e. unbundling of accounts)	\boxtimes
n th	e case of a SSO being part of a vertically integrated company:	
(a)	please provide details on the ownership structure. If an ownership diagram is avail attach it to the completed questionnaire.	able, pleas
	details: E.ON Ruhrgas International 47%, Gazprom 34%, Itera Latvia 16%, oth	ers 3%
(b)	please specify if you have drawn up a document setting out all the terms and conditions relating to storage use by the affiliate company (GGPSSO 1.3).	
Plea	se specify if you (GGPSSO 1.2.b):	
(a)	have developed and use standard storage contracts	
(b)	have developed and use a storage code (approved by national relevant regulatory authority)	
(c)	consulted users in developing the standard storage contracts or the storage code	
Plea		standard
Plea	se provide details on how the consultation process for developing	standard
Plea cont	se provide details on how the consultation process for developing tracts/storage code was conducted (relating to GGPSSO 1.2.b)	
Plea cont (a)	se provide details on how the consultation process for developing tracts/storage code was conducted (relating to GGPSSO 1.2.b) bilateral contacts with some users	
Pleacont (a) (b)	se provide details on how the consultation process for developing racts/storage code was conducted (relating to GGPSSO 1.2.b) bilateral contacts with some users bilateral contacts with all users and some prospects open consultation process, with some sort of public announcement (e.g. on	
Pleacont (a) (b) (c)	se provide details on how the consultation process for developing tracts/storage code was conducted (relating to GGPSSO 1.2.b) bilateral contacts with some users bilateral contacts with all users and some prospects open consultation process, with some sort of public announcement (e.g. on company website, by press, at a conference)	



3 **Necessary TPA services**

3.1 Please provide the following data in normalised cubic meters (date of reference: 1 April 2005) (GGPSSO 3.1)

		Space	Injectability	Deliverability
(a)	technical capacity	2.3 Bnm3	13 Mionm3/day	24 Mio nm3/day
(b)	available capacity	0		
(c)	contracted or held capacity	2.3 Bnm3	13 Mionm3/day	24 Mionm3/day
(d)	any storage capacity not available to TPA on the grounds of article 2(9) of the Gas Directive, with substantiated reasons ²			
	notes:			
(e)	any other capacity excluded from TPA – other than the portion used for production operations and facilities reserved exclusively for the TSO			
	notes:			

3.2

(a) the SSO	
(b) the shippers	
(c) no PSO	
(d) other	
notes:	

3.3 Capacity for Public Service Obligations (hereafter PSO):

(a) is storage capacity needed for any PSO offered on a TPA basis? (GGPSSO 3.2)	(a)	is storage capacity needed for any PSO offered on a TPA basis? (GGPSSO 3.2)	
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If any capacity needed for any PSO is NOT offered on a TPA basis, please state why: 3.4

(a)	national legislation	\boxtimes
(b)	other	\boxtimes
	notes: no legislation in place as at 01.04.2005 and exclusive rights	

² Storage facility means a facility used for the stocking of natural gas and owned and/or operated by a natural gas undertaking, including the part of LNG facilities used for storage but excluding the portion used for production operations, and excluding facilities reserved exclusively for transmission system operators in carrying out their functions



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		Space	Injecta	bility	Deliverabili				
(a) n	ormalised cubic meters	2.3Bnm3	13 Mionm3		24 Mionm3/da				
Οο γοι	u offer the following services on the primary market	(GGPSSO 3.3,	, 3.5, 3.7):						
(a) b	undled services (SBU) of space and injectability/delivera	ability							
	service which includes an obligation for the SSO to allo een nominated	cate the gas wl	hich has						
(c) ir	jection and withdrawal are possible at any time								
n	otes:								
Are the	e following services separately charged (GGPSSO 3	.3., 3.5, 3.7)?							
	service which includes an obligation for the SSO to allo	cate the gas wl	hich has						
(b) ir	jection and withdrawal are possible at any time								
n	otes:			I					
			Where some services have NOT been introduced, please state why (GGPSSO 3.4.b, 3.5, 3.6, 3.7): Obligation for the SSO to allocate according to nominations						
		state why (GGI	PSSO 3.4.	b, 3.5	, 3.6, 3.7):				
				.b, 3.5	(, 3.6, 3.7):				
Obliga	ation for the SSO to allocate according to nominations	smission syste		.b, 3.5					
Obliga (a) (b)	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interc	smission syste		b, 3.5					
Obliga (a) (b)	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnectation system	smission syste		b, 3.5					
Obliga (a) (b) Injecti	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interc transportation system on and withdrawal possible at any time	smission syste		b, 3.5					
Obliga (a) (b) Injecti (c)	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interc transportation system on and withdrawal possible at any time storage technical constraints	smission systements on the systement of the systemested gas	m	b, 3.5					
Obliga (a) (b) Injecti (c) (d)	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnected gas tran transportation system on and withdrawal possible at any time storage technical constraints economically use of the storage infrastructure	smission systements on the systement of the systemested gas	m	b, 3.5					
Obliga (a) (b) Injecti (c) (d) (e) (f)	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnected gas tran on and withdrawal possible at any time storage technical constraints economically use of the storage infrastructure consistent with the use of the interconnected gas tran not consistent with PSOs of these services (please specify) has not been in why	smission system onnected gas smission system introduced for	m m						
Obliga (a) (b) Injecti (c) (d) (e) (f) If any	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnectation system on and withdrawal possible at any time storage technical constraints economically use of the storage infrastructure consistent with the use of the interconnected gas tran not consistent with PSOs of these services (please specify) has not been	smission system onnected gas smission system introduced for	m m						
Obliga (a) (b) Injecti (c) (d) (e) (f) If any explain explain	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnected gas tran on and withdrawal possible at any time storage technical constraints economically use of the storage infrastructure consistent with the use of the interconnected gas tran not consistent with PSOs of these services (please specify) has not been in why	smission systements on systeme smission	m any oth	ner re	□ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □				
Obliga (a) (b) Injecti (c) (d) (e) (f) If any explain explain where constr	ation for the SSO to allocate according to nominations consistent with the use of the interconnected gas tran not compatible with the balancing regime of the interconnected gas transportation system on and withdrawal possible at any time storage technical constraints economically use of the storage infrastructure consistent with the use of the interconnected gas transportation to the services (please specify) has not been now hy	smission systements on systeme smission	m any oth	ner re	□ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □				



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3.11	Please indicate if services offered have been developed with into account market demand. If "yes", please provide details conducted (GGPSSO 3.4.a)				
	(a) bilateral contacts with some users				
	(b) bilateral contacts with all users and some prospects				
	(c) open consultation process, with some sort of public announce company website, by press, at a conference)	ement (e.g. or	า		
	(d) consultation process supervised by relevant national regulato	ry authority			
	(e) other (please specify below)				
	details on consultation process:				
3.12	Please specify the minimum size for each service (GGPSSO 3.	8) Space	Iniecta	nbilitv	Deliverability
	(a) bundled services (SBU) of space and injectability/deliverability		,		
	(b) injection and withdrawal are possible at any time				
3.13	Are storage users allowed to pool their nominations with a thresholds (GGPSSO 3.8)?	view to ove	rcome	poter	ntial capacity
	answer:				
	notes:				
3.14	Please specify the maximum duration for each service offered		O (GGI	PSSO	3.3.c)
	(a) bundled services (SBU) of space and injectability/deliverability	У			
	(b) other services				
	notes:				
3.15	Please specify if you have developed information systems provide adequate data to storage users and to simplify transactions.			ommı	unications to
	Г	Email	Inte	ernet	Other
	(a) nominations		[
	(b) capacity bookings		[
	(c) transfers of capacity rights between storage users		[
	(d) other				
4 4.1	Storage capacity allocation and congestion manag What kind of capacity allocation mechanism do you apply (see		's poss	ible. i	f mechanism
	applied different, depending on the storage facility/group of st				
	(a) market-based (e.g. auctions)				
	(b) first come first served				
	(c) capacity follows the customer				
	(d) other (please specify below)				
	notes: no capacity is allocated				



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Is the capacity allocation mechanism designed:	
(a) by the SSO	
(b) by national legislation	
(c) other (please specify below)	
notes:	
Have these mechanisms and procedures been subject to consultation wi please provide details on how the consultation process was conducted (G	
(a) bilateral contacts with some users	
(b) bilateral contacts with all users and some prospects	
 (c) open consultation process, with some sort of public announcement (e.g. o company website, by press, at a conference) 	on \square
(d) consultation process supervised by relevant national authority	
(e) other (please specify below)	
notes:	
In case of congestion, what kind of solution do you apply or plan to apply	(GGPSSO 4.2)
(a) market based (e.g. auctions)	
(b) pro rata	
(c) other (please specify below)	
notes:	
Is the congestion management mechanism designed:	
(a) by the SSO	
(b) by national legislation	
(c) other (please specify below)	
notes: no congestion management mechanism	
The congestion management mechanism:	
(a) has it ever been used?	
notes: never	
Unused capacity (e.g. day-ahead release of non-nominated injecta (GGPSSO 4.4):	ability and deliverability)
(a) do you offer all unused capacity on an interruptible basis?	
notes: no	
Do you use other means to discourage hoarding and facilitate re-utilisa capacity? Please specify the nature of these arrangements	ation and trade of storage
answer:	
notes: no	





5 Confidentiality requirements

(a)	keep databases related to storage operations separate	
(b)	develop new IT systems for the storage business separately (when new IT systems are being developed in vertically integrated undertakings)	
(c)	ensure that no information available to the SSO concerning its storage business is passed to any other part of any affiliate of the company in advance of being provided to all market participants	
(d)	have drafted a code of conduct	
(e)	have implemented a compliance programme, supervised by a Compliance Officer	
to 5	ese measures have been monitored or supervised externally, please specify .1.a-c)?	by whom (
o 5	ese measures have been monitored or supervised externally, please specify	by whom (
to 5	ese measures have been monitored or supervised externally, please specify .1.a-c)? national regulatory authority	by whom (
t o 5 (a)	ese measures have been monitored or supervised externally, please specify .1.a-c)? national regulatory authority	by whom (
(a) (b)	ese measures have been monitored or supervised externally, please specify .1.a-c)? national regulatory authority another relevant national regulatory authority (please specify)	by whom (
(a) (b) (c)	ese measures have been monitored or supervised externally, please specify.1.a-c)? national regulatory authority another relevant national regulatory authority (please specify) external audit	by whom (
(a) (b) (c) (d)	ese measures have been monitored or supervised externally, please specify 1.a-c)? national regulatory authority another relevant national regulatory authority (please specify) external audit other (please specify below)	



6 Transparency requirements

6.1 Are the following commercial terms published (GGPSSO 6.4.a-d):

		In national language	In English	On the internet	Free of charge	Not applicable
(a)	if rTPA: tariffs and tariff methodologies for each service offered				\boxtimes	
(b)	if nTPA: main commercial conditions including the prices for standard services					
(c)	If nTPA: updates of main commercial conditions including the prices for standard services, whenever the SSO changes them					
(d)	services offered					
(e)	storage code					
(f)	main storage standard conditions for each service					
(g)	rights and responsibilities of all users					
(h)	rules (e.g. periods) for counter flows during injection and withdrawal					
(i)	rules of storage capacity transfer in case of customer switching (if any)					
(j)	storage capacity allocation provisions					
(k)	congestion management provisions					
(l)	anti-hoarding provisions					
(m)	re-utilisation provisions					
(n)	auction terms (where applicable)					
(0)	rules applicable for storage capacity trade on the secondary market vis-à-vis the SSO					
(p)	rules and charges applicable to storage penalties from storage users					
(q)	compensation payments from the SSO to storage users					
(r)	user-friendly instruments for calculating charges for a specific service (e.g. a tariff calculator)					

6.2 Is the following operational information published (GGPSSO 6.5.a-e, 6.6.a-c, 6.9, 6.10):

	In national language	In English	In energy units or ncm	Online information system	Free of charge
(a) technical storage capacity		\boxtimes			\boxtimes
(b) available storage capacity					
(c) contracted or held storage capacity					





6.3

(d)	aggregated inflows and outflows at least on a weekly basis for the immediately preceding week					
(e)	historical utilization rates at least on a weekly basis for the immediately preceding week					
(f)	user-friendly instruments for verifying online the level of available and/or unused storage capacity					
(g)	maps indicating the location of their storage facilities and the connecting points of the storage facilities to the relevant network					
(h)	methods of determining available storage capacity					
(i)	operational parameters, including the rules of ownership and use of working gas					
(j)	TSO's pre-emptive rights with operational rules and processes attached					
(k)	any storage capacity not available to TPA on the grounds of article 2(9) of the Gas Directive, with substantiated reasons					
(1)	all planned maintenance periods that might affect storage users' rights from storage contracts, at least once a year					
(m)	the operational information corresponding to planned maintenance periods with adequate advance notice					
(n)	regular updates on details, expected duration and effect of the maintenance					
Whe	ere you have not published specific data,	please stat	e why (rela	ating to GGF	PSSO 6.2., 6.3	3)
(a)	less than three users (information about th	e aggregate	use of stor	age)		
(b)	three users or more, but still commercial se	ensitivity of ir	nformation]
(c)	reasons of cost (or substantial IT developn	nent needed))			
(d)	to avoid any potential market abuse					
(e)	to avoid significant harm to storage users of	commercial i	nterest		Σ	1
(f)	other (please specify below)]
	notes:					





answer:

storage, on the ground that such publication would harm the any alternative data published (e.g. aggregate inflows and outrequency-basis, non-numerical data)? Please specify and just GGPSSO 6.3)	utflows	on a m	onthly -	or any
answer: no, because gas purchase agreements in which capacity re	reservatio	on is doi	ne, are c	onfdent
Where unplanned disruptions in access to the storage se (GGPSSO 6.8):	ervices	occur,	do you	ı ensur
(a) current system users are notified of that disruption as soon as	possible	;		\boxtimes
(b) information concerning the maintenance and disruptions that h made available upon request to those affected by the disruption		urred is		
Storage penalties	vidina fo			
Is there a clause or provision in the storage contract/code prov the storage users in the event you fail to fulfil contractual obliga		GGPSS	U 8.1.a)	?
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code		GGPSS	O 8.1.a)	?
the storage users in the event you fail to fulfil contractual obligation	gations (O 8.1.a)	?
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets	gations (O 8.1.a)	?
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market (gations (O 8.1.a)	,
answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market ((a) bundled services only	gations (O 9.1)		
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market ((a) bundled services only (b) both bundled and unbundled services Have you developed and used standardised contracts and present the secondary market ((b) both bundled and unbundled services	gations (O 9.1)		
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market ((a) bundled services only (b) both bundled and unbundled services Have you developed and used standardised contracts and prefacilitate secondary trade of storage capacity (GGPSSO 9.1)?	(GGPSS	O 9.1) es on ti	he prim	ary mai
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market ((a) bundled services only (b) both bundled and unbundled services Have you developed and used standardised contracts and prefacilitate secondary trade of storage capacity (GGPSSO 9.1)? answer:	(GGPSS	O 9.1) es on ti	he prim	ary mai
the storage users in the event you fail to fulfil contractual obligations answer: there is no storage contract/code Secondary markets Are registered users allowed to trade in the secondary market ((a) bundled services only (b) both bundled and unbundled services Have you developed and used standardised contracts and prefacilitate secondary trade of storage capacity (GGPSSO 9.1)? answer: Is there a clause in the storage code/contract referring to capacity trading explicitly (relating to GGPSSO 9.1)?	(GGPSS)	es on the	he prim	ary mai





Implementation of the other GGPSSO requirements 9

Nec	essary TPA Services – please indicate if you:			
		As of 1 April 2005	Planned date of introduction	Not applicable
(a)	offer unbundled services supplementing SBUs at least for available storage capacity at the beginning of the storage year (GGPSSO 3.3.b)			
(b)	offer short-term (<1 year) services down to a minimum period of one day (GGPSSO 3.3.c)			
(c)	offer both firm and interruptible storage services (GGPSSO 3.3.d)			

		April 2005	introduction	applicab
(a)	offer unbundled services supplementing SBUs at least for available storage capacity at the beginning of the storage year (GGPSSO 3.3.b)			
(b)	offer short-term (<1 year) services down to a minimum period of one day (GGPSSO 3.3.c)			
(c)	offer both firm and interruptible storage services (GGPSSO 3.3.d)			
	ere not already provided, please provide brief details on st	eps you pla	n to take to fa	cilitate th
	oduction			
ntro ans	wer: no detailed plans			
ntro ans	oduction	As of 1 April 2005	Planned date of introduction	Not applicab
ans Seco	wer: no detailed plans	As of 1	date of	Not applicab
ans Seco	wer: no detailed plans ondary market – please indicate if you: allow for title transfer for both bundled and unbundled	As of 1	date of	

answer: no detailed plans



Appendix

Definitions

Available storage capacity means the part of the technical storage capacity that is not contracted or held by storage users at that moment and still available to the storage users for firm and interruptible services, and is not excluded from TPA under Article 2(9) of the Gas Directive (Definition 1 of the GGPSSO)

Storage capacity is space (expressed in normal cubic meters or energy), injectability and deliverability (expressed in normal cubic meters or energy per time unit). All of them can be firm or interruptible (Definition 17 of the GGPSSO)

Storage facility means a facility used for the stocking of natural gas and owned and/or operated by a natural gas undertaking, including the part of LNG facilities used for storage but excluding the portion used for production operations, and excluding facilities reserved exclusively for transmission system operators in carrying out their functions (Definition 18 of the GGPSSO)

Technical storage capacity is the maximum storage capacity (injectability, deliverability and space) that the SSO can offer to storage users, excluding storage capacity for SSOs operational needs