



Mrs Fay Geitona
Council of European Energy Regulators (CEER)
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Dear Fay

RESPONSE TO ERGEG GAS TRANSPARENCY MONITORING

EFET welcomes the opportunity to respond to the ERGEG public consultation on gas transparency monitoring.

EFET believes that the current legislative requirements for information transparency are not sufficient for the development of an efficient and effective EU gas market. ERGEG's work on monitoring gas transparency has highlighted that, even these deficient requirements, have not been fully implemented by TSOs across the EU. This means that the current level of transparency falls well short of what is necessary, and although the European Commission's proposals for amendments to the Gas Regulation are an important step forward, it is clear that more must be done now to deliver improvements.

A first step must be the full and effective implementation of the existing legislative requirements – non-compliance by TSOs is not acceptable and the European Commission, ERGEG and national regulators must take steps to make sure that implementation is improved. ERGEG's reports are an important contribution in this respect.

EFET has already identified the minimum information requirements that need to be in place to help facilitate the development of more efficient and effective markets (a slightly updated version is attached to this letter). It has worked closely with the regulators and TSOs in ERGEG's North-West gas regional initiative to identify a subset of these requirements that will be delivered by TSOs over the course of 2008. This will be an important first step in improving transparency. The TSOs in the region are in the process of finalising plans to deliver what has been agreed and EFET urges that these are agreed as soon as possible so that the improvements can be delivered to the envisaged timetable. **EFET believes that significant benefits could be realised quickly across the EU from ERGEG "rolling out" the EFET minimum information requirements to all of the gas regions** – and all network operators should be tasked with bringing forward plans (in consultation with stakeholders) to deliver the necessary improvements as a matter of priority.

While we strongly support the European Commission's proposal to delete Article 6(5) from the Gas Regulation it continues to be used extensively across the EU to restrict the publication of information. The guidance, prepared in ERGEG's North-West gas regional initiative (in

consultation with stakeholders), sets out a robust process for networks users, network operators and national regulatory authorities in the case of an exemption application – including a timetable for considering applications. It also indicates that, even where there are less than 3 users, information should still be made available in some form and provides guidance in this respect – including publishing information in some aggregate form. **EFET urges that the guidance is fully adopted across all of the three gas regions without delay.**¹ This would ensure greater consistency in how applications are assessed and avoid unnecessary delays in the process. **EFET would welcome a commitment from all of the RCCs that they will take active steps to ensure that the guidelines will be used for assessing all existing and future applications in their region.** Each RCC should also provide clarity about applications they have assessed (or are in the process of assessing) including outlining the rationale behind decisions that have been taken to either approve or reject applications.

EFET considers that the steps in this letter will lead to a significant improvement in the level of transparency across the EU in the interim period before new legislative requirements are implemented.

I have copied this letter to the lead regulator of each the regional initiatives.



Jonas Törnquist
EFET Gas Committee

¹ Responses to ERGEG's consultation on coherence and convergence in the gas regional initiative generally supported the adoption of the less than 3 guidelines in all of the regions.