
Open letter on establishment of an ad hoc expert group in gas balancing

Dear Sir, Madam

Objective: establishment of an ad hoc expert group (hereafter "expert group") in gas balancing.

The European Energy Regulators have decided to set up an informal "ad hoc" group of experts in gas balancing. The goal of this group will be to provide expert support to the European Energy Regulators during the development of the draft framework guideline on gas balancing.

The 3rd Package envisages the development of European network codes. The European transmission system operator (TSO) organisations (ENTSOG and ENTSO-E) will be responsible for drafting cross-border network codes based on the principles and objectives set out in the framework guidelines to be prepared by the European Agency for the Cooperation of Energy Regulators (the Agency) in consultation with network users.

The European Energy Regulators have announced their intention to prepare draft framework guidelines in some priority areas during the interim period in which the Agency will be established. In that regard, the European Energy Regulators have developed a process to be applied to the preparation of these draft framework guidelines which foresees -where necessary- the establishment of ad hoc expert groups.

The draft pilot framework guideline on gas capacity allocation was presented at the 17th meeting of the European Gas Regulatory Forum in January 2010 (the Madrid Forum). It was also announced that ERGEG will present its draft framework guideline on gas balancing to the next Madrid Forum (this timeline may be subject to revision as appropriate)¹.

¹ The 17th Madrid forum conclusions are available at http://ec.europa.eu/energy/gas_electricity/doc/forum_madrid_gas/meeting_017_conclusions.pdf

The terms of reference for the expert group on gas balancing, including the specific criteria for candidates, are provided in Annex 1. At this stage, only experts responding to the criteria listed in Annex 1 are invited to apply. The application should set out briefly:

- Curriculum vitae;
- A list of relevant qualifications, including education and number of years of experience in the area of gas balancing, and in which countries or markets these have been gained;
- Current involvement in the electricity/gas industry and the company or organisations (including EU stakeholder organisations) he or she is a member of;
- List of relevant publications; and
- Contact details.

Please apply at the latest by 5 March 2010 on European Energy Regulators website. Applications received after this deadline will not be considered.

Following receipt of the applications, the members of the expert group will be chosen by a selection committee established by the European Energy Regulators. According to the "Rules of Procedure for the establishment of ad hoc expert groups", attached as Annex 2 of this letter, the expert group shall aim to have a broad range of relevant expertise as defined in Annex 1 and geographical diversity among its members.

Regarding Article 7 of the Terms of Reference, expert group members will be asked to respect 'Chatham House' principles and discretion.

Should you have any questions about this open letter or the work of the European Energy Regulators on gas balancing, please do not hesitate to contact:

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Annex 1

Terms of reference for the ad hoc expert group on gas balancing

Deliverable

The expert group should deliver expert advice on the specific questions requested by the European Energy Regulators. The form of the advice to be submitted by the expert group to the European Energy Regulators will be agreed by the Chair of the expert group.

Schedule

At least two half-day meetings of the ad hoc expert group on gas balancing are expected to be held.

The first meeting of the ad-hoc expert group on gas balancing will be held in the week commencing 29 March or 5 April 2010. Meetings will take place in Brussels in the CEER premises (other arrangement can be convened by the Chair of the expert group). The exact dates and locations will be confirmed 21 calendar days in advance of each meeting.

Qualification

The experts should have relevant experience in some of the following areas:

- Trading and balancing at gas hubs;
- The supply and procurement of balancing services;
- The settlement of imbalances, from the perspective of a gas system operator or a gas system user;
- The exchange of gas for balancing purposes between different balancing areas; and
- The integration of balancing markets at national or regional level.

Annex 2

European Energy Regulators' Rules of Procedure for ad hoc expert groups (hereafter "expert groups")

Article 1 – Purpose

The role of the expert group is to provide, on an ad hoc basis, expert support to the European Energy Regulators in the development of regulatory policies. The status of the input provided by the expert group is that of an **advice** to the European Energy Regulators.

Regulatory policies are those of the European Energy Regulators alone.

An expert group may be set up, for example, in the context of the development of a draft framework guideline by the European Energy Regulators.

Article 2 – Application procedure

An Open Letter for the establishment of an ad hoc expert group will be published on the European Energy Regulators' website.

Persons interested in becoming members will be invited to contact the CEER Secretariat within the deadline specified in the Open letter (generally two weeks after the Open letter has been published). To be valid, the application of the expert must contain the following informations:

- List of relevant qualifications, including education and number of years of experience in the area concerned specifying in which countries or markets these have been gained;
- Current involvement in the electricity/gas industry and the company or organisations (including EU stakeholder organisations) he or she is a member of (indicate current and past participation/contribution in task forces or working groups of associations by indicating the subject dealt with);
- List of relevant publications;
- Contact details.

Applications will be assessed by a selection committee established by the European Energy Regulators on the basis of the information submitted by candidates.

Selected candidates shall be contacted individually by the CEER Secretariat to confirm their appointment as members of an expert group. This communication will take place within four weeks after the Open Letter for the establishment of an expert group has been made public on the European Energy Regulators' web site.

Article 3 – Membership

Each expert group is composed of members appointed by the European Energy Regulators.

The expert group shall aim at having a broad range of relevant expertise and geographical diversity among its members. Specific criteria (depending on the relevant area of expertise) may be defined for the appointment of the experts.

Network users and network operators will be among those eligible to nominate a qualified expert.

Members are appointed **ad personam** and primarily for their competences and shall therefore not have alternates.

The number of experts in an expert group will not exceed 10.

Article 4 – Chair

Meetings shall be chaired by a representative of the European Energy Regulator.

Article 5 – Responsibilities of the Chair

The Chair is responsible for the efficient conduct of the business of the ad hoc expert group and shall in particular:

- Plan the work of the expert group by defining their tasks;

- Draw the agenda for the meeting of the expert group (assistance of the CEER/ERGEG Secretariat) and take the minutes;
- Chair the meetings of the expert group;
- Monitor the application of these Rules of Procedure;
- Present the work of the expert group to the European Energy Regulators on a regular basis;
- Present the work of the expert group externally (particularly to the electricity and gas fora).

Article 6 – Independence of the experts

Members shall make a declaration of commitment in their application to fulfil their duties and a declaration of interests which could be considered to be prejudicial to their independence.

Article 7 – Confidentiality of information

Experts shall not disclose to any persons, or company, particularly the one they might be linked to, any information acquired as a result of their work in the expert group.

They shall make a written declaration of confidentiality ensuring the respect of this obligation.

The obligation to maintain confidentiality shall continue to apply even after participation of members in the expert group has ceased.

Article 8 – Transparency

The membership of the expert group shall be made public.

The expert group shall operate in accordance with the need for a high level of transparency.

The following documents of the expert group shall be published on the European Energy Regulators' web site, subject to the respect of confidentiality requirements:

- Open letter for the establishment of an ad hoc expert group;

- Rules of Procedure for ad hoc expert groups;
- Minutes in a summary form.

Article 9 - Invitations to meetings

Any meeting of an expert group shall be convened at the invitation of the expert group Chair.

The date of the first meeting will be announced in the open letter for the establishment of the ad hoc expert group.

Invitations shall be issued not later than 21 calendar days before the meeting.

Article 10 - Agenda

A draft agenda shall be drawn up by the Chair and circulated to the members of the ad hoc expert group no later than 10 calendar days before the meeting. The agenda shall be adopted at the beginning of each meeting.

Article 11 – Documentation

Documents that are necessary for the meetings shall be normally circulated to the members of the ad hoc expert group at least 10 calendar days before the meeting.

Article 12 – Minutes

It is the responsibility of the Chair, with the assistance of the CEER Secretariat (see article 5) to take the minutes of the meeting of the expert group. The minutes shall include a summary record of the proceedings and action points.

Views, whether expressed orally or in writing by members in the context of an expert group shall not be ascribed to a particular individual.

Article 13 – Reimbursement

Experts should bear their own costs.

Article 14 – General provisions

Amendments to these Rules of Procedure shall be approved by the European Energy Regulators.