

ERGEG Gas Focus Group/Storage TF

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

Response by RWE Transgas, a.s.

Questionnaire

1 General

1.1 Business name of respondent: RWE Transgas, a.s.

1.2 Is access to your storage system provided:

(a) on a	regulated basis	
(b) on a	negotiated basis	\boxtimes
(c) both	(please provide comments below)	
note	s:	

1.3 Is access provided:

(a)	to a given storage facility	
(b)	to a group of storage facilities in the same balancing zone	\boxtimes
(C)	other (please provide comments below)	
	notes:	

if you answer that access is provided to a given storage facility/to a group of storage, please assume that all following answers will be interpreted accordingly

1.4 If access to storage is not provided to individual storage facilities, please provide details (e.g. how many groups, how many sites within group) and specify how this is arranged:

answer: 1 virtual storage consisting of 6 facilities (1 virtual entry into and 1 virtual exit from the transmission system)

1.5 How many system users own capacity rights (date of reference: 1 April 2005)?

answer: 1



ERGEG – Questionnaire SSO

1.6 National 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?	\boxtimes
(b)	if "yes", did you notify your relevant national regulatory authority (GGPSSO Scope and Objective)?	\boxtimes

2 Roles and responsibilities of Storage System Operators

2.1 Please specify if you are (GGPSSO 1.1):

(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

2.2 In the case of a SSO being part of a vertically integrated company:

(a)) please provide details on the ownership structure. If an ownership diagram is available, please attach it to the completed questionnaire.	
	details: RWE Transgas, a.s., is directly controlled by RWE Gas International B.V. and indirectly by RWE Energy AG, the sole shareholder of RWE Gas International B.V., and RWE AG, the sole shareholder of RWE Energy AG	
(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).	\boxtimes

2.3 Please 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	

2.4 Please provide details on how the consultation process for developing standard storage contracts/storage code was conducted (relating to GGPSSO 1.2.b)

(a)	bilateral contacts with some users	\boxtimes
(b)	bilateral contacts with all users and some prospects	
(c)	open consultation process, with some sort of public announcement (e.g. on company website, by press, at a conference)	
(d)	consultation process supervised by relevant national regulatory authority	
(e)	other (<i>please specify below</i>)	
	notes:	



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	2.137 bcm	24.25 Mcm/d	32.88 Mcm/d
(b)	available capacity	Confidential	Confidential	Confidential
(c)	contracted or held capacity	Confidential	Confidential	Confidential
(d)	any storage capacity not available to TPA on the grounds of article 2(9) of the Gas Directive, with substantiated reasons ¹	N/A	N/A	N/A
	notes:			
(e)	any other capacity excluded from TPA – other than the portion used for production operations and facilities reserved exclusively for the TSO	N/A	N/A	N/A
	notes:	•		•

3.2 Please indicate if Public Service Obligations (PSO) in your country are placed on (relating to GGPSSO 3.2, 3.5, 3.6-3-15):

(a)	the SSO	
(b)	the shippers	
(C)	no PSO	
(d)	other	\boxtimes
	notes: The supplier of last resort (a trader but not necessarily a shipper)	

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)	\square

3.4 If any capacity needed for any PSO is NOT offered on a TPA basis, please state why:

(a) national legislation	
(b) other	
notes:	

¹ 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



3.5 Please provide the following data in normalised cubic meters for PSO, where NOT offered on a TPA basis (date of reference: 1 April 2005)

	Space	Injectability	Deliverability
(a) normalised cubic meters	N/A	N/A	N/A

3.6 Do you offer the following services on the primary market (GGPSSO 3.3, 3.5, 3.7):

(a)	bundled services (SBU) of space and injectability/deliverability	\boxtimes
(b)	a service which includes an obligation for the SSO to allocate the gas which has been nominated	
(C)	injection and withdrawal are possible at any time	\boxtimes
	notes: re: c) subject to technical feasibility (lead times & geological conditions) and injectability/deliverability curve	the storage user's

3.7 Are the following services separately charged (GGPSSO 3.3., 3.5, 3.7)?

(a)	a service which includes an obligation for the SSO to allocate the gas which has been nominated	No
(b)	injection and withdrawal are possible at any time	No
	notes:	

3.8 Where some services have NOT been introduced, please state why (GGPSSO 3.4.b, 3.5, 3.6, 3.7):

Obliga	Obligation for the SSO to allocate according to nominations			
(a)	consistent with the use of the interconnected gas transmission system			
(b)	not compatible with the balancing regime of the interconnected gas transportation system			
Injection and withdrawal possible at any time				
(C)	storage technical constraints			
(d)	economically use of the storage infrastructure			
(e)	consistent with the use of the interconnected gas transmission system			
(f)	not consistent with PSOs			

3.9 If any of these services (please specify) has not been introduced for any other reason, please explain why

explanation:

3.10 Where there are limitations on the offer of services on the ground of either storage technical constraints or the economically efficient use of the storage infrastructure:

(a) v	was it made public and substantiated (GGPSSO 3.4.b)?	\boxtimes
r	reasons for limitations: see 3.6.	



ERGEG – Questionnaire SSO

3.11 Please indicate if services offered have been developed with consultation of storage users to take into account market demand. If "yes", please provide details on how the consultation process was conducted (GGPSSO 3.4.a)

(a)	bilateral contacts with some users	\boxtimes
(b)	bilateral contacts with all users and some prospects	
(c)	open consultation process, with some sort of public announcement (e.g. on company website, by press, at a conference)	
(d)	consultation process supervised by relevant national regulatory authority	
(e)	other (please specify below)	
	details on consultation process:	

3.12 Please specify the minimum size for each service in normalised cubic meters (GGPSSO 3.8)

		Space	Injectability	Deliverability
(a)	bundled services (SBU) of space and injectability/deliverability	73.94 Mcm	839,000 cm/d	1,138,000 cm/d
(b)	injection and withdrawal are possible at any time		839,000 cm/d	1,138,000 cm/d

3.13 Are storage users allowed to pool their nominations with a view to overcome potential capacity thresholds (GGPSSO 3.8)?

answer:	No
notes:	

3.14 Please specify the maximum duration for each service offered by your SSO (GGPSSO 3.3.c)

(a)	bundled services (SBU) of space and injectability/deliverability	unlimited
(b)	other services	monthly
	notes: re: b) interruptible injectability/deliverability	

3.15 Please specify if you have developed information systems and electronic communications to provide adequate data to storage users and to simplify transactions such as:

	Email	Internet	Other
(a) nominations	\boxtimes		
(b) capacity bookings			\square
(c) transfers of capacity rights between storage users		\boxtimes	\square
(d) other			

4 Storage capacity allocation and congestion management

4.1 What kind of capacity allocation mechanism do you apply (several answers possible, if mechanism applied different, depending on the storage facility/group of storage facilities)? (GGPSSO 4.1)

(a)	market-based (e.g. auctions)	
(b)	first come first served	
(C)	capacity follows the customer	
(d)	other (please specify below)	\boxtimes
	notes: type of contract (long-term, short-term)	



ERGEG – Questionnaire SSO

4.2 Is the capacity allocation mechanism designed:

(a)	by the SSO		
(b)	by national legislation	\boxtimes	
(C)	other (please specify below)		
	notes: in line w capacity allocation mechanism applicable on the transmission system		

4.3 Have these mechanisms and procedures been subject to consultation with storage users. If "yes", please provide details on how the consultation process was conducted (GGPSSO 4.1.e)

(a)	bilateral contacts with some users	
(b)	bilateral contacts with all users and some prospects	\boxtimes
(c)	open consultation process, with some sort of public announcement (e.g. on company website, by press, at a conference)	
(d)	consultation process supervised by relevant national authority	\boxtimes
(e)	other (<i>please specify below</i>)	
	notes:	

4.4 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)	\boxtimes
	notes: type of contract (1st level), pro-rata (2nd level)	

4.5 Is the congestion management mechanism designed:

(a)	by the SSO	\boxtimes			
(b)	by national legislation				
(C)	other (please specify below)				
	notes: in line w congestion management mechanism applicable on the transmission system				

4.6 The congestion management mechanism:

(a)	has it ever been used?	No
	notes:	

4.7 Unused capacity (e.g. day-ahead release of non-nominated injectability and deliverability) (GGPSSO 4.4):

(a)	do you offer all unused capacity on an interruptible basis?	\boxtimes
	notes: injectability & deliverability	

4.8 Do you use other means to discourage hoarding and facilitate re-utilisation and trade of storage capacity? Please specify the nature of these arrangements

answer:	\boxtimes
notes: proof of the storage needs	



5 Confidentiality requirements

5.1 Please indicate if you (GGPSSO 5.1.a-c):

Steps are being taken to comply with all of the following 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	

5.2 If these measures have been monitored or supervised externally, please specify by whom (relating to 5.1.a-c)?

(a)	national regulatory authority	
(b)	another relevant national regulatory authority (please specify)	
(c)	external audit	
(d)	other (<i>please specify below</i>)	
	notes:	

5.3 Are the SSO and the supply business located in separate buildings (GGPSSO 5.1.d)?

	-	-	
answer:			\boxtimes



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	\boxtimes	\boxtimes	\boxtimes	\boxtimes	
(c)	If nTPA: updates of main commercial conditions including the prices for standard services, whenever the SSO changes them	\boxtimes	\boxtimes	\boxtimes	\boxtimes	
(d)	services offered	\boxtimes	\boxtimes	\boxtimes	\boxtimes	
(e)	storage code		\boxtimes		\boxtimes	
(f)	main storage standard conditions for each service		\boxtimes		\boxtimes	
(g)	rights and responsibilities of all users		\boxtimes	\square	\boxtimes	
(h)	rules (e.g. periods) for counter flows during injection and withdrawal	\boxtimes	\boxtimes	\boxtimes	\boxtimes	
(i)	rules of storage capacity transfer in case of customer switching (if any)		\boxtimes		\boxtimes	
(j)	storage capacity allocation provisions	\boxtimes	\boxtimes	\square	\boxtimes	
(k)	congestion management provisions		\boxtimes		\boxtimes	
(I)	anti-hoarding provisions	\boxtimes	\boxtimes	\boxtimes	\boxtimes	
(m)	re-utilisation provisions		\boxtimes	\boxtimes	\boxtimes	
(n)	auction terms (where applicable)					\square
(0)	rules applicable for storage capacity trade on the secondary market vis-à-vis the SSO		\boxtimes		\boxtimes	
(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	\square	\boxtimes	\boxtimes	\boxtimes	\boxtimes
(b) available storage capacity	Confidential				
(c) contracted or held storage capacity			Confidential		



(d)	aggregated inflows and outflows at least on a weekly basis for the immediately preceding week	Confidential				
(e)	historical utilization rates at least on a weekly basis for the immediately preceding week		Confidential			
(f)	user-friendly instruments for verifying online the level of available and/or unused storage capacity	\boxtimes	\boxtimes		\boxtimes	\boxtimes
(g)	maps indicating the location of their storage facilities and the connecting points of the storage facilities to the relevant network	\boxtimes	\boxtimes			\boxtimes
(h)	methods of determining available storage capacity	\boxtimes	\boxtimes		\boxtimes	\boxtimes
(i)	operational parameters, including the rules of ownership and use of working gas	\boxtimes				\boxtimes
(j)	TSO's pre-emptive rights with operational rules and processes attached			N/A		
(k)	any storage capacity not available to TPA on the grounds of article 2(9) of the Gas Directive, with substantiated reasons			N/A		
(I)	all planned maintenance periods that might affect storage users' rights from storage contracts, at least once a year	\boxtimes	\boxtimes			\boxtimes
(m)	the operational information corresponding to planned maintenance periods with adequate advance notice	\boxtimes	\boxtimes			
(n)	regular updates on details, expected duration and effect of the maintenance	\boxtimes	\boxtimes		\boxtimes	\boxtimes

6.3 Where you have not published specific data, please state why (relating to GGPSSO 6.2., 6.3)

(a)	less than three users (information about the aggregate use of storage)	\boxtimes
(b)	three users or more, but still commercial sensitivity of information	
(C)	reasons of cost (or substantial IT development needed)	\boxtimes
(d)	to avoid any potential market abuse	\boxtimes
(e)	to avoid significant harm to storage users commercial interest	\boxtimes
(f)	other (please specify below)	
	notes: insufficient time for preparation	



 \boxtimes

 \boxtimes

6.4 If you have not published information as required by the GGPSSO about the aggregate use of storage, on the ground that such publication would harm the commercial interest of user(s), are any alternative data published (e.g. aggregate inflows and outflows on a monthly –or any other frequency- basis, non-numerical data)? Please specify and justify why this is the case (relating to GGPSSO 6.3)

answer: N/A

6.5 Where unplanned disruptions in access to the storage services occur, do you ensure that (GGPSSO 6.8):

(a)	current system users are notified of that disruption as soon as possible	
(b)	information concerning the maintenance and disruptions that have occurred is made available upon request to those affected by the disruption	

7 Storage penalties

7.1 Is there a clause or provision in the storage contract/code providing for compensation payments to the storage users in the event you fail to fulfil contractual obligations (GGPSSO 8.1.a)?

answer: Generally binding rules and regulations apply.
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8 Secondary markets

8.1 Are registered users allowed to trade in the secondary market (GGPSSO 9.1)

(a)	bundled services only	
(b)	both bundled and unbundled services	\boxtimes

8.2 Have you developed and used standardised contracts and procedures on the primary market to facilitate secondary trade of storage capacity (GGPSSO 9.1)?

answer:

8.3 Is there a clause in the storage code/contract referring to or addressing secondary storage capacity trading explicitly (relating to GGPSSO 9.1)?

answer:

8.4 Do you provide an electronic platform or bulletin board to facilitate secondary storage capacity trading (GGPSSO 9.2, 9.3)

answer:

8.5 Have you taken any other steps to facilitate secondary storage capacity trading (GGPSSO 9.1)? Please specify how

answer:



9 Implementation of the other GGPSSO requirements

9.1 Necessary 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)		1 July 2005	
(b)	offer short-term (<1 year) services down to a minimum period of one day (GGPSSO 3.3.c)	\boxtimes		
(c)	offer both firm and interruptible storage services (GGPSSO 3.3.d)	\boxtimes		

9.2 Where not already provided, please provide brief details on steps you plan to take to facilitate their introduction

answer:

9.3 Secondary market – please indicate if you:

		As of 1 April 2005	Planned date of introduction	Not applicable
(a)	allow for title transfer for both bundled and unbundled capacities (GGPSSO 9.1)	\boxtimes		
(b)	recognise the transfer of rights where notified by storage users for both bundled and unbundled capacities (GGPSSO 9.1)	\boxtimes		
(c)	allow the new owner to aggregate such storage capacity operationally (GGPSSO 9.1)	\boxtimes		

9.4 Where not already provided, please provide brief details on steps you plan to take to facilitate their introduction

answer:



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