



EDISON'S COMMENTS ON THE ERGEG CONSULTATION PAPERS "CALCULATION OF AVAILABLE CAPACITIES. UNDERSTANDING AND ISSUES".

INTRODUCTION

Edison welcomes the decision of ERGEG to cope with the calculation of available capacities as well as the opportunity to contribute to this review as part of the public consultation process. Moreover, Edison strongly agrees with Ergreg's warning for greater transparency, greater consistency and optimisation of available capacity calculation throughout the EU's gas transmission networks.

However, Edison thinks that, considering the importance and the extent of the matter handled, it would have been more appropriate to split the current single document into two – three different documents, each of them dealing with more specific topics. The current consultation faces the risk to be too all-comprehensive and, consequently, too generic.

In addition, also if a single general document is preferred to different ones focused on single matters, we strongly suggest to give operators more time to discuss it.



In fact, answering to such a huge document needs the involvement of different company departments, because different competencies are required (engineering, logistic and supply, risk management, etc).

Given the complexity of the document, the number of questions and the shortage of time we are currently facing in this part of the year, but also the wish to contribute to the current consultation, Edison has decided to participate by making the following general observations. At the same time, Edison hopes to contribute with more specific comments in the near future, once a second consultation on specific guidelines is organised.

GENERAL OBSERVATION

- Edison would like to stress the current situation in Europe, characterized by the lack of coordination by TSOs in determining the network available capacities (AC). This means that different scenarios are assumed and, as a result, the same value of AC in different countries can have different significance according to the scenario adopted (for example AC can be the result of a very restrictive scenario in a country and of a less conservative one in another). It is clearly visible that, in the perspective of a common market, the same data can not have huge different meanings (for example, in terms of reliability), according to the country and the TSO that calculates it. As a consequence, Edison supports Ergeg's suggestion to elaborate common guidelines on **generic** rules for calculating available capacities.



- The role of Ergeg, and of the NRAs, should be encouraged not only in order to have an additional regulatory framework: network simulation models, such as the calculation methodology of operating margins and linepack values should be finally validated by NRAs, in order to ensure they are made adequately.

- Edison strongly agrees with Ergeg's statement "*not only the knowledge of AC is important for the market participants but also transparency about the method and the main rules governing the levels of AC contributes to a better understanding and level playing field*". Transparency of the calculation process allows operators to become aware of their choices, in their day by day activities.

- Regarding the recalculation of AC, Edison supports the idea of periodical recalculation, instead of the automatic method, trying to harmonize the period throughout the EU. Recalculation should be at least annual. A more frequent period should be carefully evaluated, taking in mind the trade off between the accuracy of the AC and the reliability of the scheduling done by operators.

- Edison welcomes mechanisms in order to guarantee the effective availability of capacity (for examples interruptible contracts, cooperation of TSOs etc). Nevertheless, all those mechanisms that could affect contractual flexibilities and liabilities of the shippers and limit their contractual opportunities (for example UIOLI) should be avoided.

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