# INTERNATIONAL FEDERATION OF INDUSTRIAL ENERGY CONSUMERS

**EUROPE** 



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# **IFIEC Europe**

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- by mail -

ERGEG
European Regulators Group
for Electricity and Gas
Brussels

Ladies and gentlemen

#### **Gas Balancing**

Referring to the ERGEG changes of July 2005 of the CEER paper on 'Gas Balancing Principles' IFIEC Europe wants the following amendments:

## Principle 1: Balancing Responsibilities

IFIEC agrees with the amendments of ERGEG. It is important to show that it is necessary to install only one or a few TSOs, which are organising the cooperation of the balancing system. For instance in Germany currently there are existing 730 TSOs.

### Principle 3: Frequency of Balance

IFIEC Europe wants a longer balancing period (daily balancing) in the gas sector, because industrial consumers need this in line with their technical requirements.

#### Principle 4 b: Charges for Imbalances

The charges for imbalances have to be symmetric. That means that the charges for gas, which is used too much in a special time, have to be the same as the compensation, which the customer receives for gas, which he does not use at the same time.

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### **Principle 5:** Tolerance services

In view of the guidelines for storage system operators it has to be clearly defined, which capacity of each storage site has to be used for the balancing in the transmission system. Only for these parts of storages it can be allowed to socialise as costs for balancing. Costs of storage capacities, which are used for seasonal structuring are not allowed to be socialised in the balancing, which is daily done by the system operators.

### **Summary**

In IFIEC 's opinion the gas balancing principles of CEER in the changed proposals of ERGEG and under consideration of the IFIEC amendments are very well-designed to create a competitive balancing system for the European gas networks.

Yours faithfully

Wulf Binde

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