

German Association of Energy and Water Industries (BDEW) Reinhardtstraße 32 · 10117 Berlin · Germany

CEER Secretary General

via e-mail: gastransparency@ergeg.org

Existing transparency requirements for natural gas - Public Consultation

Dear Ms Geitona.

The German Association of Energy and Water Industries (BDEW) represents 1,800 members of the electricity, gas and water industry. In the energy sector, we represent companies active in generation, trading, transmission, distribution and retail.

We welcome the opportunity to comment on the ERGEG public consultation on "Transparency requirements for natural gas".

BDEW welcomes the work undertaken on developing transparency requirements, especially those applying to transmission networks through the revision of chapter 3 of Annex 1 of Regulation 715/2009.

This set of requirements (coupled with the existing guidelines for good practice or GGP) to be implemented as of 3rd March 2011 is sufficient and should allow market participants to determine, develop and manage their commercial positions.

Transmission System Operators, as well as operators of other gas infrastructure, have a clear role in publishing timely, consistent, and comprehensive information in a transparent way. This is absolutely needed for the European gas market.

Currently, levels of TSO transparency are still inconsistent across different systems. We hope that the new binding TSO transparency requirements will rectify this. We acknowledge that ENTSOG's "Gas Roads" transparency platform plays an important role as a useful tool for proving static data elements. BDEW welcomes and supports all the work to improve the consistency of data which is fed into this platform.

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BDEW believes that transparency is crucial to promote a level playing field in the market by reducing information asymmetry and ensuring a more efficient functioning of wholesale market competition.

The reliability of price formation on competitive gas markets can only be further enhanced by an improved framework in transparency regarding data related to system operations. Consumers will benefit from a better functioning of gas markets. At the moment we note that in a few European countries already binding transparency requirements are not yet entirely respected. Thus we have major concerns regarding the soon-to-be legally binding future requirements. Proposed binding guidelines for gas TSOs must be implemented as soon as possible.

The need for more and detailed transparency measures, which are not covered by the third energy package is still being discussed in the BDEW membership. This concerns for example the appropriate disclosure of operational data. At this stage BDEW would refrain from entering an external discussion on this issue and refers to the consultation responses by the European industry associations.

However, any transparency measures, once enacted, should apply to all European market participants to ensure a level-playing field, i.e. these measures need to be EU-wide harmonised and binding. At the same time there needs to be a clear understanding of the treatment of third countries. BDEW supports a close cooperation with third country supervisory authorities on transparency, which could be achieved by administrative arrangements to address the global market for natural gas.

Yours sincerely,

Dr. Michael Wunnerlich

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