



European Union Agency for the Cooperation
of Energy Regulators

Capacity Offering and Use at Interconnection Points at Borders of EU and Energy Community

Insights from the ACER-ECS Public Consultation

4th SEEGAS Stakeholder Meeting

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Public

Public Consultation on Capacity Offering and Use at EU - Energy Community borders

https://documents.acer.europa.eu/Official_documents/Public_consultations/Pages/PC_2021_G_04-Public-Consultation-on-Capacity-Offering-and-Use-at-the-Gas-Interconnection-Points-Located-at-the-Borders-of-t.aspx



Background:

From 12 May 2021 to 30 June 2021, ACER and the Secretariat carried out a joint public consultation regarding gas capacity availability and use on a number of IPs.

IPs concerned are located on the borders of the EU Member States and the Energy Community Contracting Parties and between the Energy Community Contracting Parties.

Objectives of Public Consultation

- Firmer understanding of stakeholders' views.
- Best practices in enhancing connectivity, optimal use of existing capacity, market integration, and competition.
- Ultimate benefit for customers from improvements to capacity availability.

Summary of Responses: main obstacles

- *Regulatory arrangements*
 - *Transparency is inadequate; some network users at advantage.*
 - *Market and regulatory solutions could suffice instead of building new capacity.*
 - *Firm capacity labelled firm, though is interruptible or not firm at all.*
 - *Implementation of NCs on IPs – non existing or asymmetrical.*
 - *VIPs are implemented in an inconsistent manner and to an inadequate extent.*
 - *Missing IAs at some lps.*
 - *Gas quality and gas measurement standards - inconsistent and lead to market segmentation.*
- *Broader issues*
 - *No connection capacity - commodity markets (the latter not existing / not liquid).*
 - *RES integration is inadequately considered.*
 - *Licensing and other bureaucratic hurdles - some network users at advantage.*

Summary of Responses: some solutions

- *Regulatory arrangements*
 - *Increase transparency.*
 - *Reassess investments in physical infrastructure.*
 - *Strive to fully apply EU's and the Energy Community regulatory framework (NCs).*
 - *Introducing VIPs and VTPs with due care and where their introduction would make sense.*
 - *Introduce common / consistent gas quality and measurements standards, rules and procedures.*
- *Broader issues*
 - *A more holistic approach to capacity and commodity markets.*
 - *Reduce market concentration (services / commodity) and capacity hoarding, by addressing market dominance and incumbents.*
 - *Address potential capacity withholding from market by greater regulatory oversight.*
 - *Further promote trans-border cooperation by applying a variety of platforms, processes (e.g. CESEC, PCI, PECl, etc.).*
 - *Integrate EnC TSO into ENTSOG and increase cooperation between the NRAs (ACER).*

- Discussion at Energy Community Gas Forum: *done*.
- Regulatory discussion at Gas Regional Initiative South-South East: *proposed*.
- Specific actions by individual TSOs/NRAs, depending on IP situation.

❑ Gas and Hydrogen Regulation:

- Member States and the Energy Community Contracting Parties should closely cooperate on all matters concerning the development of an integrated gas trading region and should take no measures that endanger the further integration of natural gas markets or the security of supply of Member States and Contracting Parties.
- Cooperation of Member States with the Contracting Parties to the Treaty establishing the Energy Community that have large available storage capacities could support actions where storage in the Union is not feasible or cost effective. This can include the possibility to consider to use these storage capacities located outside the Union in the relevant common risk assessment. Member States may request the relevant regional risk groups to invite experts from the third country to ad-hoc sessions of the regional risk groups without creating a precedent of regular and full participation.

❑ Gas and Hydrogen Directive:

- Member States and the Contracting Parties to the Treaty establishing the Energy Community should cooperate closely on all matters concerning the development of an integrated gas market and its decarbonisation and should take no measures that endanger the further integration of gas markets or the security of supply of Member States and Contracting Parties. This could include cooperation on storage capacities and invitation of experts to relevant regional gas risk groups.

Thank you. Any questions?

The contents of this document do not necessarily reflect the position or opinion of the Agency.



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