



## ***ECRB Gas Working Group Activities***

***Elena Stratulat, ECRB GWG Chairwoman***



- **Report from the 43rd GWG meeting- September 2018**
- **GWG deliverables:**
  - ❑ **TF 1 – Wholesale market monitoring**
    - **Monitoring report on the development of gas wholesale markets in the EnC Contracting Parties;**
    - **Input to ACER’s Market Monitoring Report 2017;**
    - **Report on compliance with the transparency requirements in the EnC Contracting Parties.**
  - ❑ **TF2 – Network code implementation;**
    - **Analytical paper on the implementation of BAL NC in the EnC CPs.**

Report on compliance with the transparency requirements in the Contracting Parties - presented for ECRB approval

ACER MMR with GWG contribution was launched in the end of October 2018

Monitoring report on the development of gas wholesale markets in the Contracting Parties

# Input to ACER's Market Monitoring Report



## ***ACER MMR covers the EnC CPs with the following topics:***

- *Estimated average suppliers' gas sourcing costs;*
- *Overview of EU and EnC gas cross-border flows;*
- *Sourcing of gas in terms of dependence of one supplier;*
- *Comparison of average gas cross-border transportation tariffs.*

ACER/CEER

Annual Report on the Results of Monitoring the Internal Electricity and Natural Gas Markets in 2017

Gas Wholesale Markets Volume

September 2018

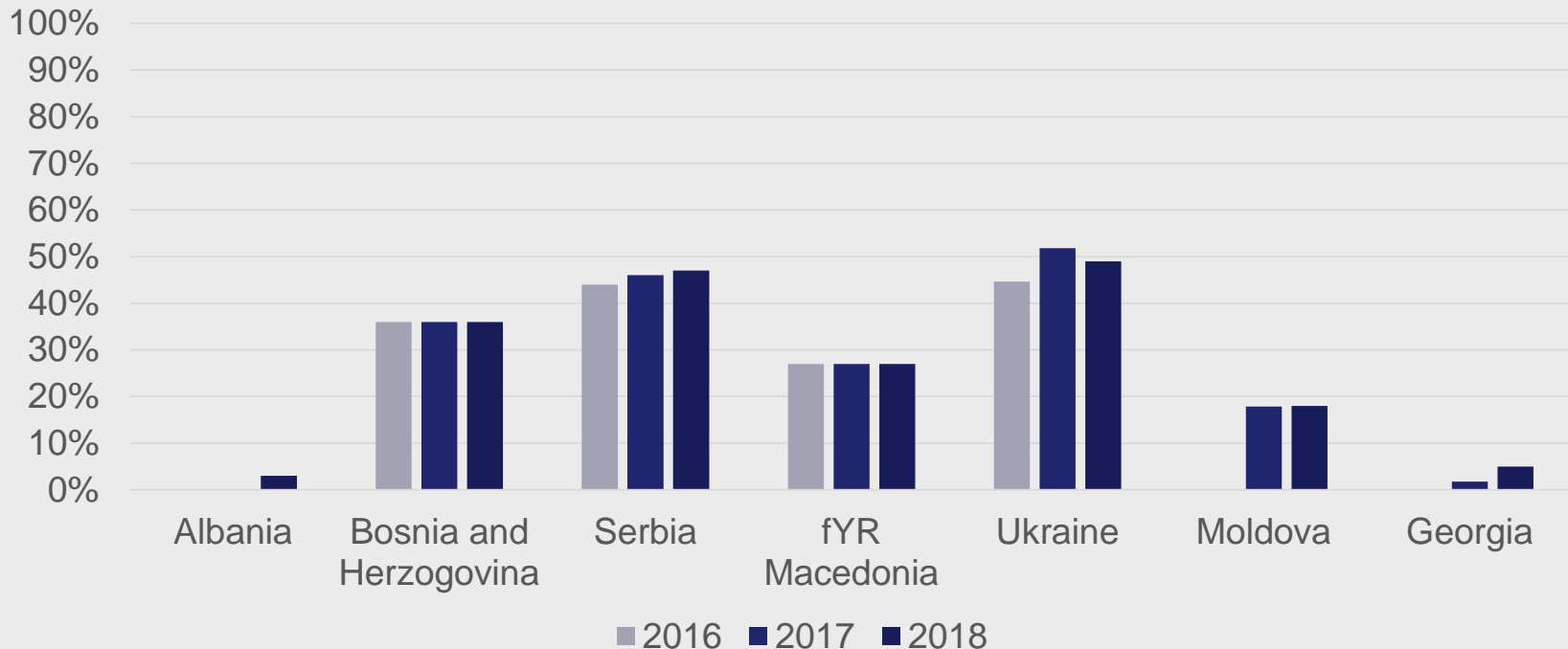
# Some findings and recommendations of ACER MMR 2017



- *Supply sourcing costs in the EnC CPs continue to be higher than in EU MSs, with the exception of Ukraine;*
- *Import dependence still significant (for majority of CPs 1 or 2 supply sources)*
- *Flows from the EU into Ukraine increased by 26%. Future flows from Ukraine will be influenced by new entry-exit tariff methodology;*
- *Cross border transmission tariffs: interconnections with EnC CPs are generally more higher than the intra-EU ones;*
- *Continuous alignment of the Energy Community to the *acquis communautaire* of the EU is a pre-condition for market integration and cross-border trading of the Contracting Parties. Boosting liquidity in the Energy Community must predominantly rely on integration with neighbouring EU markets, having in mind the size and state of development of the Contracting Parties' gas markets.*

**Scope** : Report on compliance with the transparency requirements

Annex I Reg. 715





- *The current state of BAL NC implementation in the EnC CPs is at a low level. There is a lack of practice in regulating balancing process in gas transmission systems, in some of the EnC CPs (Georgia, Moldova) balancing issues are the subject of supply contracts.*
- *Ukraine made some efforts to switch to the daily balancing mechanism which is to be compliant with BAL NC requirements, but aforementioned problems have not been solved yet.*
- *Lack of gas market liquidity and gas infrastructure may prevent EnC CPs from setting up liquid trading platforms at least at the first stage of BAL NC implementation. The experience of EU countries in using the balancing platforms will be useful.*
- *The realistic deadlines for full BAL NC implementation are not less than 3 years*



# Proposals for the ECRB WORK PROGRAM for 2019



- *TF 1 – Wholesale market monitoring*
- *TF2 - Transparency (in cooperation with MedReg)*
- *TF3 - CMP Network code implementation.*
- *TF4 - Transmission and distribution system cooperation*

Next ECRB GWG: on 12 of February 2019, Vienna

The background is a dark blue globe with a grid of latitude and longitude lines. Overlaid on the globe are numerous glowing blue lines and circular nodes, representing a global network or energy grid. The lines are bright and have a slight motion blur effect.

*Thank you  
for your attention!*

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