16th Energy Community Gas Forum

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Public Consultation on Gas Interconnection Points at EU External Borders and Within the Energy Community (PC)

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.
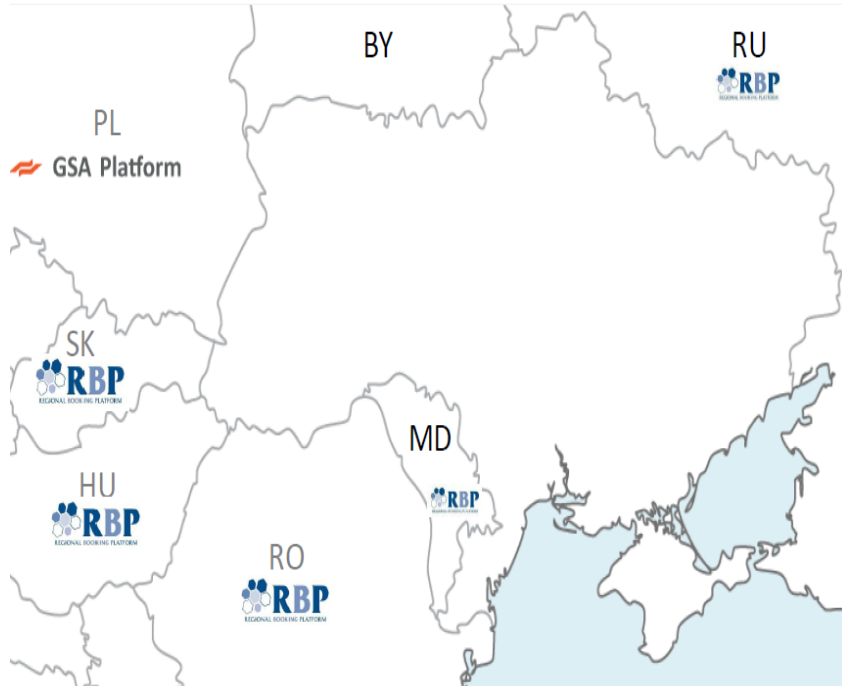
Objective and scope of PC

Scope

1. 21 Interconnection points MS-CP and CP-CP.
2. Questionnaire was open for other IPs.
3. Target: actual and potential system users of gas transport capacity – but open to any individual or party, Europe or worldwide.

Objective

- Firmer understanding of stakeholders' views.
- Best practices in enhancing connectivity, optimal use of existing capacity, market integration, and competition.
- Aim 1: understand market needs.
- Aim 2: learn about approaches to avoid network interruptions and optimise capacity availability.
- Aim 3: ultimate benefit for customers.

Questionnaire

Topical areas:

- *Fair and transparent terms of access to services, including capacity contracts, network codes and contracts for auxiliary services;*

- *Market integration;*

- *Availability of capacity (capacity availability, allocation and use) and maintenance, gas quality issues (interoperability);*

- *Issues related to Network Codes (NCs);*

- *Issues related to particular IPs.*

Potential solutions listed:

- *"Technical approaches", i.e. engineering solutions, e.g. looping a pipeline or managing flows with pressure differentials;*

- *"Commercial approaches", i.e. contractual terms and conditions, e.g. transferring the use of capacity rights to another IP for an agreed fee when the contracted capacity is not available;*

- *"Market design approaches", i.e. rules that are typically part of network codes, e.g. setting up virtual interconnection points.*

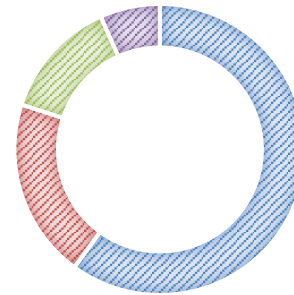*15 responses were received, plus one "empty"*

RESPONDENTS (ACTIVITY)

■ traders / suppliers   ■ TSOs   ■ others

RESPONDENTS (GEOGRAPHICALLY)

■ EU MSs   ■ EnC CPs   ■ Europe   ■ Canada

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

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

ACER

European Union Agency for the Cooperation
of Energy Regulators

Energy Community

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

THANK YOU
FOR YOUR ATTENTION

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