

Preliminary Scoping on Rules for (capacity) trading

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Starting Point: Gas Regulation 715/2009

- Art. 8 (6) (h) Gas Regulation 715/2009 calls for: *rules for trading related to technical and operational provisions of network access services and system*

- Covered by NC BAL
- Commodity products
out of scope
- No duplication of
REMIT

Capacity

More hints to capacity focus:

- ✓ Recital 29: Rules for trading of primary capacity rights as important part of developing a competitive market & creating liquidity
- ✓ Art 1 (2): facilitation of capacity trading
- ✓ Annex I: 2. Harmonised transport contracts and common network codes shall [...] facilitate trading and re-utilisation of capacity

Task from EC

- EC decision on the establishment of the annual priority list includes:
FG on Rules for Trading related to technical and operational provision of network access services and system balancing (FG RfT)
- ACER to identify whether binding EU rules for the further harmonization of the design of capacity products and contracts as regards:
 - firmness
 - restrictions to allocation, or
 - secondary marketare needed, taking into account CMP, CAM, BAL

Goal: Full Entry/Exit System

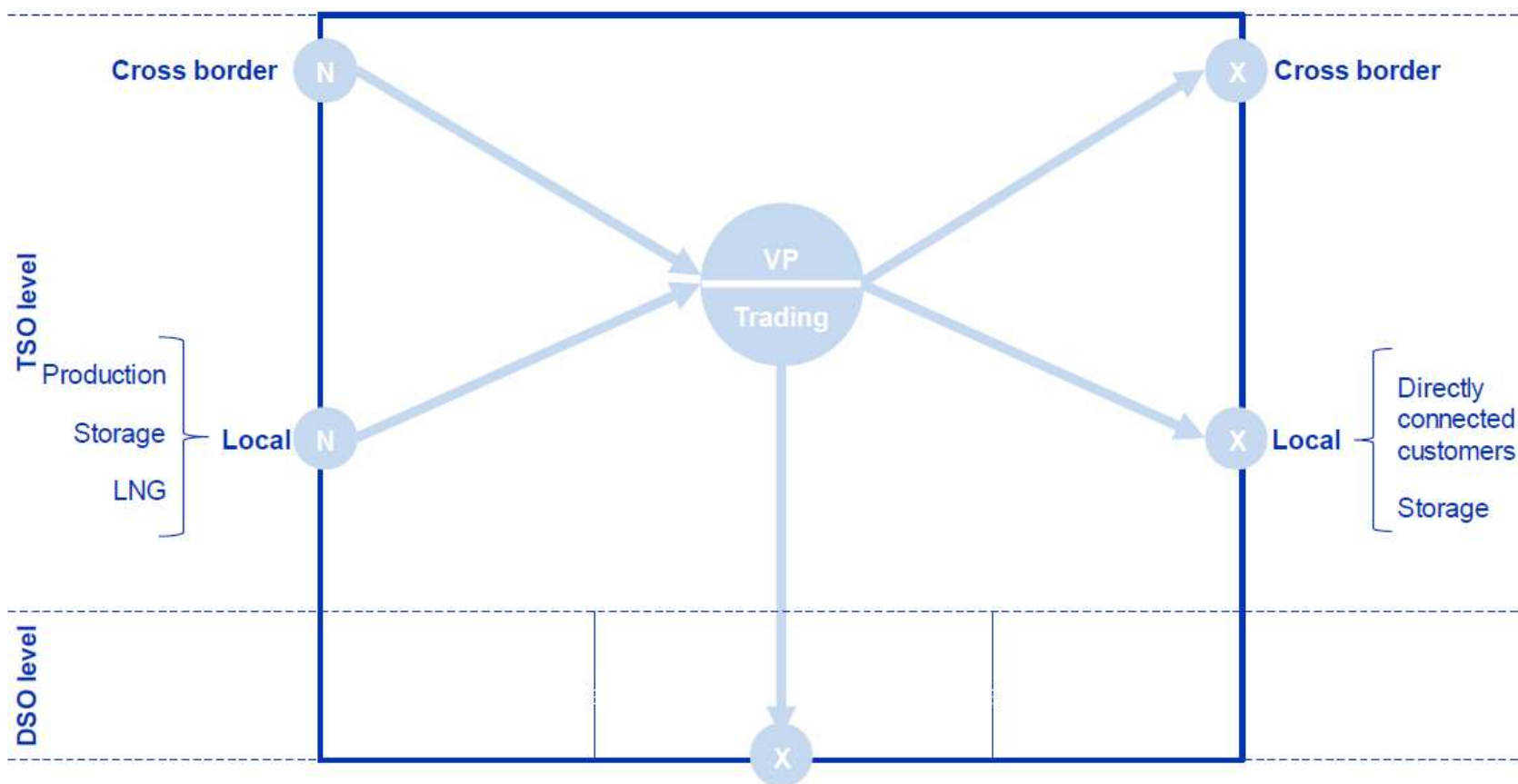
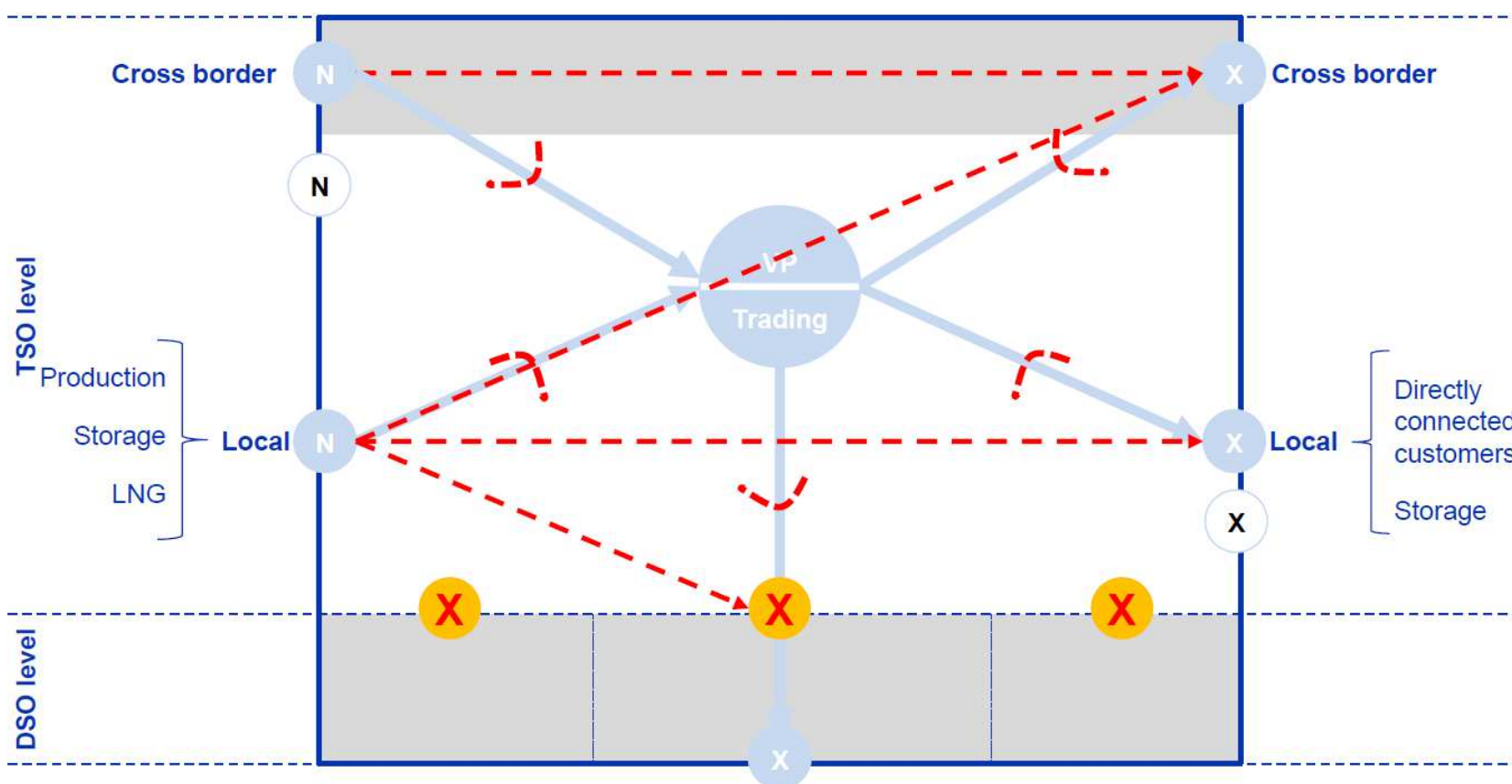


Figure 1: Schematic Representation of a 'Full' Entry-Exit System

Source: Study on Entry-Exit Regimes in Gas (Part A), DNV KEMA / COWI for DG ENERGY, 19.7.2013

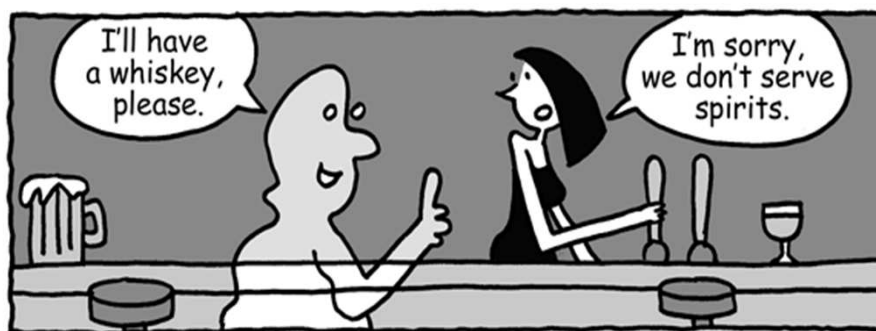
Reality: Different E/E systems designs



Source: Study on Entry-Exit Regimes in Gas (Part A), DNV KEMA / COWI for DG ENERGY, 19.7.2013

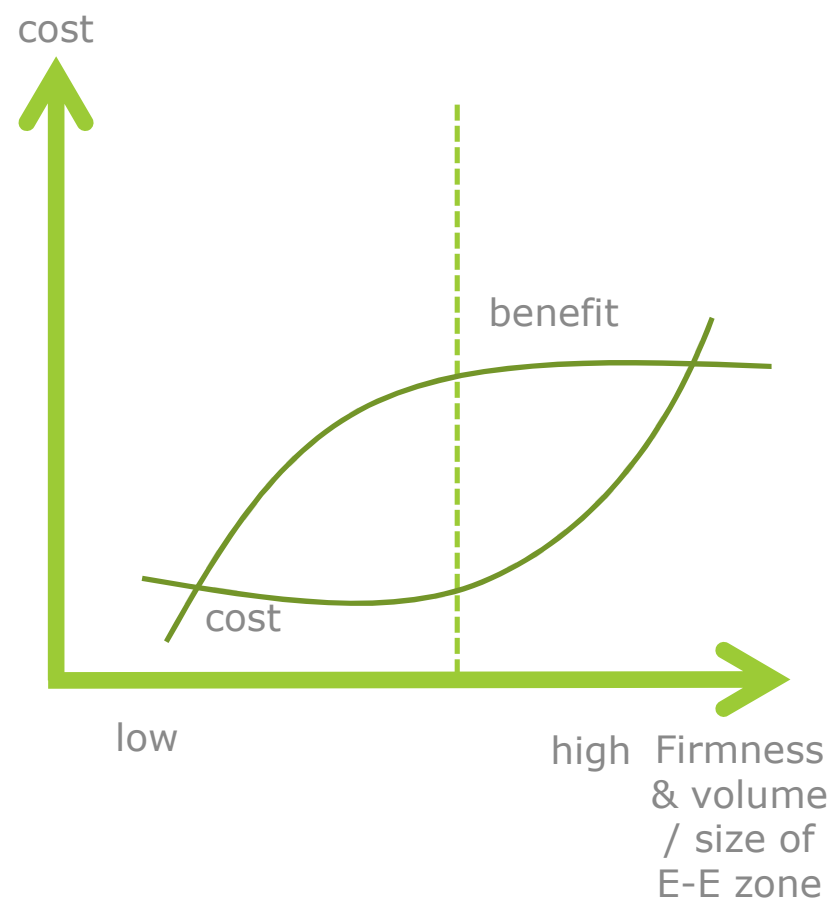
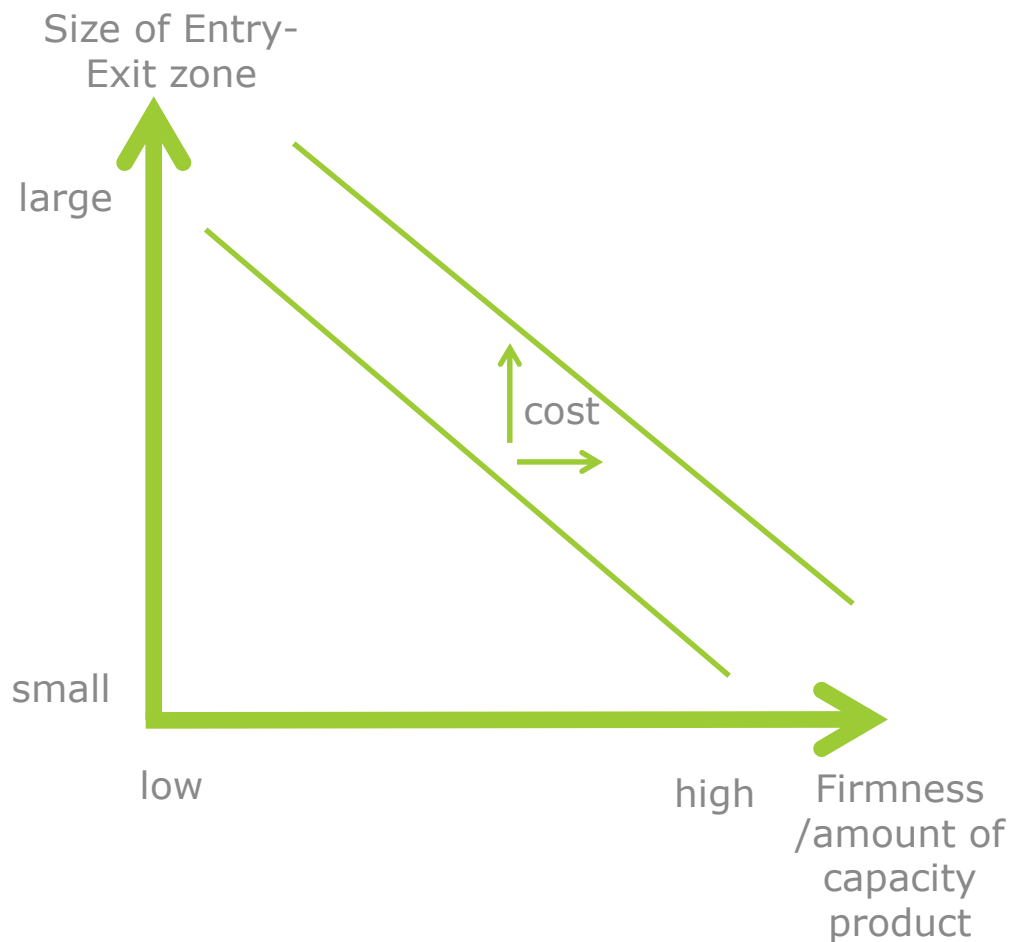
Preliminary Scope – E/E systems

- Different countries have different entry-exit systems regarding design and size (KEMA Study)
- TSOs offer capacity products on the basis of different entry-exit systems
- No definition of „entry-exit“ system results in „capacity“ becoming a kind of homonym



Source: <http://ecenglish.com/learnenglish/userfiles/image/whiskey-ghost.gif>

Preliminary Scope – E/E systems



Preliminary Scope

- Trade off between size of entry-exit system (market size), liquidity and firmness/volume of firm products
- Other potential elements
 - Secondary markets?
 - Cancellation rights?
 - Notifications, billing and payments?
 - Trading licenses?
 - ...?
- Identification of concrete problem(s) to be solved that require a FG/NC?

Next steps

Q4/2013 –
Q1/2014:

Scoping
Phase

- ACER CAM Task Force will work out preliminary scoping
- Establishment of „Expert Group“ to provide input to scoping
- Stakeholder round-table discussions
- Q1/2014: Public consultation on FG scoping paper

Expected
Result:

→ Decision on need for FG/NC on Rules for (Capacity) Trading

Q2–Q3/2014

- Potentially: start drafting FG on RfT

Thank you for your attention!



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