

EURELECTRIC STATEMENT – XXII MADRID FORUM

Transparency Monitoring

We welcome the fact that ENTSOG is working to ensure it meets its revised transparency obligations arising from the CMP guidelines by 1st October and recognise the technological challenges it faces in achieving these obligations. Centralising the provision of transparency data, including the new CMP data items, on a single platform with efficient enquiry and download capabilities is a welcome development for both regulators and stakeholders.

However, the aspect of transparency that will provide the single biggest boost to gas market competition, liquidity and development throughout Europe is the provision of “near real time” flow data at relevant points. Provision of this information has been a legal requirement on TSOs since March 2011, but some TSOs have chosen to interpret this requirement differently to how we think it was intended to apply, and as a result are still only publishing actual daily flow information ex-post.

We encourage ENTSOG to work pro-actively in support of its members to ensure that intraday flow information is provided at all relevant points during 2013.

Balancing

We commend ENTSOG on the excellent job they have done in facilitating constructive stakeholder engagement throughout the development of the Balancing Network Code and in ensuring that all relevant issues were raised and debated. This has resulted in the production of a Network Code that we think is workable, proportionate and broadly reflective of stakeholders’ views and preferences.

We are pleased that ENTSOG have now included descriptions of three types of within day obligation designed to incentivise network users to achieve a system-wide, portfolio or specific entry-exit point balance within day. This will help to clarify the form which within day obligations shall take. We also hope that ENTSOG will, in due course, complement the Code by providing further guidance on the pre-requisites that should be put in place in order for these three types of within day obligation to meet the relevant criteria. However, the Network Code does not limit within day obligations to just these three types and we remain concerned about the possible proliferation of different forms of within day obligation across Europe and the potentially adverse effect this could have on progress towards the internal energy market.

Incremental Capacity and Tariff Harmonisation

We welcome the European regulators’ considered approach towards possible harmonisation of incremental capacity allocation and investment across Europe and in particular their recent consultation on this subject. We also note with interest ACER’s recent publication of draft Framework Guidelines on the harmonisation of tariff structures. We look forward to submitting our response to this consultation and participating in the future development of incremental capacity.

Issues which are pertinent to both these subjects are complex and inter-related and will inevitably require trade-offs to be made on what are often regarded as core regulatory principles, such as cost reflectivity, non-discrimination and avoiding cross-subsidies. ACER should aim to ensure that work on both these subjects is progressed in tandem and that decisions made in one area are consistent with assumptions made in the other.