



Gas Storage Europe

GSE observations on GGPSSO implementation

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Introduction

- GSE observations on implementation of GGPSSO and response to ERGEG questionnaire
- Spirit of transparency: highlight progress made as well as key improvement areas to meet customer expectations
- GSE has 22 members and represents approximately 75% of technical storage capacity

Key Messages (1)

- GSE is committed to the voluntary implementation of the GGPSSO
- GSE believes the correct application of the GGPSSO ensures fair and non-discriminatory TPA to storage services
- Storage operators and users alike benefit from a healthy competitive market for storage services and a healthy investment climate to ensure the timely availability of required storage capacity

Key Messages (2)

- Requirements of the GGPSSO have been fulfilled to a large extent
- Further development is required on transparency and confidentiality, to improve market access
- GSE will organise a workshop to address these issues in close cooperation with storage users
- Implementation of GGPSSO requirements will be pursued further to respond effectively to market demand

Compliance

- Compliance is generally high:
 - GSE represents approximately 75 % of technical storage capacity in Europe
 - Thereof companies representing roughly 90 % of the working gas capacity fulfill GGPSSO to a large extent

Further development of compliance

- Certain areas have been identified where further development is required to achieve full compliance:
 - Implementation of secondary trading bulletin board and mechanisms to facilitate re-use of capacity has been delayed in some instances
 - Implementation of code of conduct for staff and compliance programs in respect of confidentiality



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Identified issues

- Transparency:
 - a majority of SSO's invokes specific clauses in the GGPSSO thereby limiting the publication of operational information
- Public Service Obligations in Member States:
 - may impact on specific structure of TPA in that State
- Market access to storage capacity is maturing:
 - Limitation of information due to limited number of users
 - Due to lack of demand some services are not yet used (e.g. capacity congestion handling, secondary market trading)

GSE next actions

- GSE will publish its observations within the next weeks
- GSE intends to organise a storage workshop in Brussels on 16 November 2005 for SSOs and users to identify issues related to information transparency
- Provide guidance on best-practice in respect of compliance programs for confidentiality requirements.
- Liaise with storage users to explore ways to encourage market demand for services