



Explanatory Note on

Capacity Allocation

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Explanatory note on capacity allocation mechanisms

- **General support** for the note, with two comments.
 1. Open season: for domestic transport investments (recovered by tariffs) cumbersome commitments should be avoided.
 2. **Any allocation mechanism for exit for end-users should be based on prevailing rights.**
 3. **Market-based are the most efficient allocation mechanisms.** However, in the current stage of gas markets, because of the foreclosure effect of existing long-term gas transportation contracts, auctions can lead to higher prices for newcomers.