



GTE Position Paper on Business Rules

Madrid Forum VI – 30-31 October 2002

02BR215-final

Avenue Palmerston 4
B – 1000 Brussels

Tel +32 2 237 11 37
Fax +32 2 230 62 91

gte@gte.be
www.gte.be

1. Context and scope

In the framework of the GTE Interoperability working group, it has been decided to create a Business Rules sub-working group, which should propose recommendations that should lead to a more efficient and integrated European pipeline system. Harmonising business rules and practices will reduce the complexity to move gas throughout Europe and will allow buyers and sellers to obtain gas from all potential sources and to transport it to potential markets.

2. Aim of the study

Taking into account the result of OBA sub-working group, the first aim of this study was to identify the different issues in relation to operational practices (e.g. definition of a gas day, nominations, matching, communication,...) after which they would be gradually addressed in order to propose recommendations for operational rules for the transportation of gas through Europe.

3. Starting situation

Today shippers have to cope with a large set of varying operational rules and practices to transport gas through multiple pipelines in Europe. These rules and practices are the result of historical arrangements and were often based on a system where gas flows are followed from a production area to a consumption area and whereby nominations are made in a sequential order (downstream to upstream). Up to now, this kind of situation did not cause any major problem of interoperability.

Recently, it has been observed that as more markets get connected, this leads at some locations to bi-directional flows, hence making it difficult to apply a sequential nomination scheme as it leads to timing conflicts.

At the same time it has been observed that there is no harmonisation with regard to the content and the type of information that has to be exchanged between the shippers and the transporters, although the structure of some standard messages has already been defined within Edig@s.

4. Achievements & Recommendations

A questionnaire was sent to all GTE members in order to get a more detailed picture of the operational practices that are currently used. Based on the feed-back, two recommendations are made by GTE:

- Gas Day

06:00 to 06:00 Local Time. It was recommended to use this definition as standard for a gas day.



- Synchronised nomination scheme

A synchronised nomination scheme should be implemented in order to solve the timing issues for nominating gas through Europe.

Initial focus is on the first nomination cycle whereby transportation is nominated for the day ahead.

The GTE proposal was: uniform timing scheme, starting at 13:00 (CET) on day D-1 ending at 18:00. During this cycle of five hours, three types of messages that have to be exchanged are defined:

- shipper's nomination notice;
- transporter's matching notice;
- transporter's confirmation notice.

GTE examined also the possibility of having some flexibility for the starting hour and the overall duration of the process, amongst others by standardising the communication. This basic GTE proposal has been submitted to EASEE-gas ad hoc working group of which the GTE representative is the chairman.

5. Next Actions

1. EASEE-gas to finalise a recommendation with regard to the initial nomination scheme (including the content and type of messages) by the end of 2002 and determine a target date for implementation.
2. Further harmonization on other issues, amongst others re-nominations, allocation rules and process, communication, treatment of constraints, hub practices and rules. The standard template for OBA should also be reviewed in order to take into account the future results of the business rules working group (by the end of 2003).