



## GTE Position Paper on Operational Procedures

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### 1. Context and scope

At Interconnection Points (IP) between two Transmission System Operators (TSO) occur fundamental operations in which are interested not only the two TSOs, but also their respective shippers. Typically, these operations deal with:

- Scheduling of quantities;
- Allocation of quantities;
- Steering the physical flows.

The solutions chosen for the management of these operations are listed in the so-called Operational Procedures at IPs which should be transparent and facilitate cross border transmission, for the shipper transactions.

### 2. Aim of the study

In order to promote among TSOs practices, which aim to meet the shipper requirement concerning the management of operations at IPs, a specific sub-working group was set up in order to examine the following aspects:

- What is the current situation?
- What should be the content of Operational Procedures?
- How to move forward?

### 3. Starting situation

TSOs have set up and updated operational procedures at IPs. Moreover, they have been updating these procedures to reflect the changing circumstances, and in particular to take into account the deregulation process in the recent years. As far as balancing systems at the IP's are concerned, two situations can occur:

- There is a procedure (OBA or SBA)\* where nominated quantities are "deemed to be delivered" if those delivered quantities remain within agreed limits;
- No agreement for balancing (quantities allocated afterwards on a pro-rata basis).

\*OBA: "Operational Balancing Agreement" where Balancing agreement results from a bilateral agreement between the connected operators, TSOs allocate all the quantities "as confirmed the day before".

\*SBA: "Shipper Balancing Agreement" which has the same effect as OBA for all the shippers except one who is predominant at that IP and would then be able to take the steering differences.



#### 4. **Achievements & Recommendations**

- Achievements

1. An inventory of the possible current allocation principles and description of pro's and con's of these principles
2. GTE map : Operational Procedures (OP) at all major cross-border IPs

The OBA sub-working group went through the present situation and represented the results on a map for more than 60 major IP's mentioning the TSOs involved, the existing procedures (nomination / matching / flow control and measurement, and more specifically, type of scheduling and allocation process). This OP map will be available on the GTE website and informs all the shippers of the main features of current practices at this IPs. It can be deduced from the map that, today, in 75% of the cases, Operational Procedures of the type OBA or SBA exist.

- Recommendations

1. Implement matching processes at each IP, including a default rule in case of mismatch (being the "lesser-off rule").
2. Implement balancing agreements at each IP (if there is a need for it).

#### 5. **Next Action**

1. Promote the OBA type procedures, which could be gradually used by the TSOs in the future when necessary.

Note:

*The OBA sub-working group has been merged with the Business Rules sub-working group which covers a larger scope and will take care of the continuity of the various related topics. This group will follow-up the work of the former OBA sub-group amongst others update of the OP map, and based on the discussion with the other stakeholders adapt the existing standard templates that could be used in the future.*