



Report on the compliance with Regulation 1775/2005

Walter Boltz, Chairman ERGEG GFG

XIIth Madrid Forum, 20-21 February 2007

Purpose of the talk



- **Purpose:**
Presentation of interim result from a survey:
Compliance with the transparency requirements of Regulation 1775/2005 throughout Europe
 - **Focus: Capacity information**

- **Followed by:**
Update: Status of compliance with Regulation 1775/2005
 - **Starting point: REM SEE**

- **The way ahead:**
 - **Interim findings**
 - **Anticipated next steps**

Structure of the talk



- **Interim results of compliance with the transparency requirements of Regulation 1775/2005 throughout Europe**
- **Status of compliance with Regulation 1775/2005 monitored in GRI REM South-South-East (SSE)**
- **The way forward**

Structure of the talk



- **Interim results of compliance with the transparency requirements of Regulation 1775/2005 throughout Europe**
- Status of compliance with Regulation 1775/2005 monitored in GRI REM South-South-East (SSE)
- The way forward

Interim results: Transparency requirements

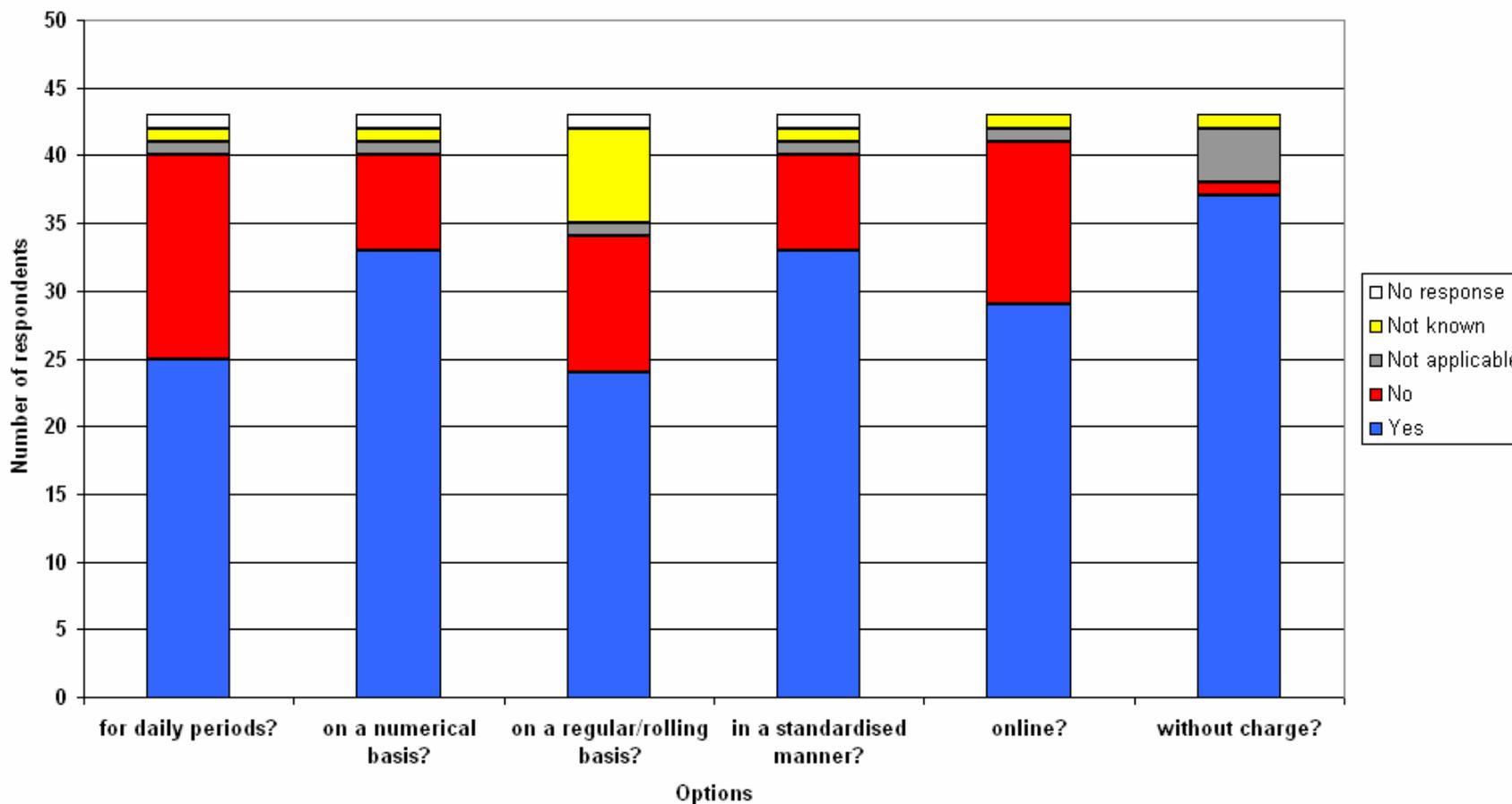


- Results based on a questionnaire
- Throughout Europe
- Two aims:
 - Assess the status quo of compliance with the transparency requirements of the Gas Regulation
 - Identify the need for possibly more detailed transparency requirements and/or modification of existing provisions of the Gas Regulation
- Focus in this talk: Capacity
(Question set number 8: 8.1 to 8.14)

Question 8.1



Does the TSO publish for all relevant points including entry and exit points the maximum technical capacity?

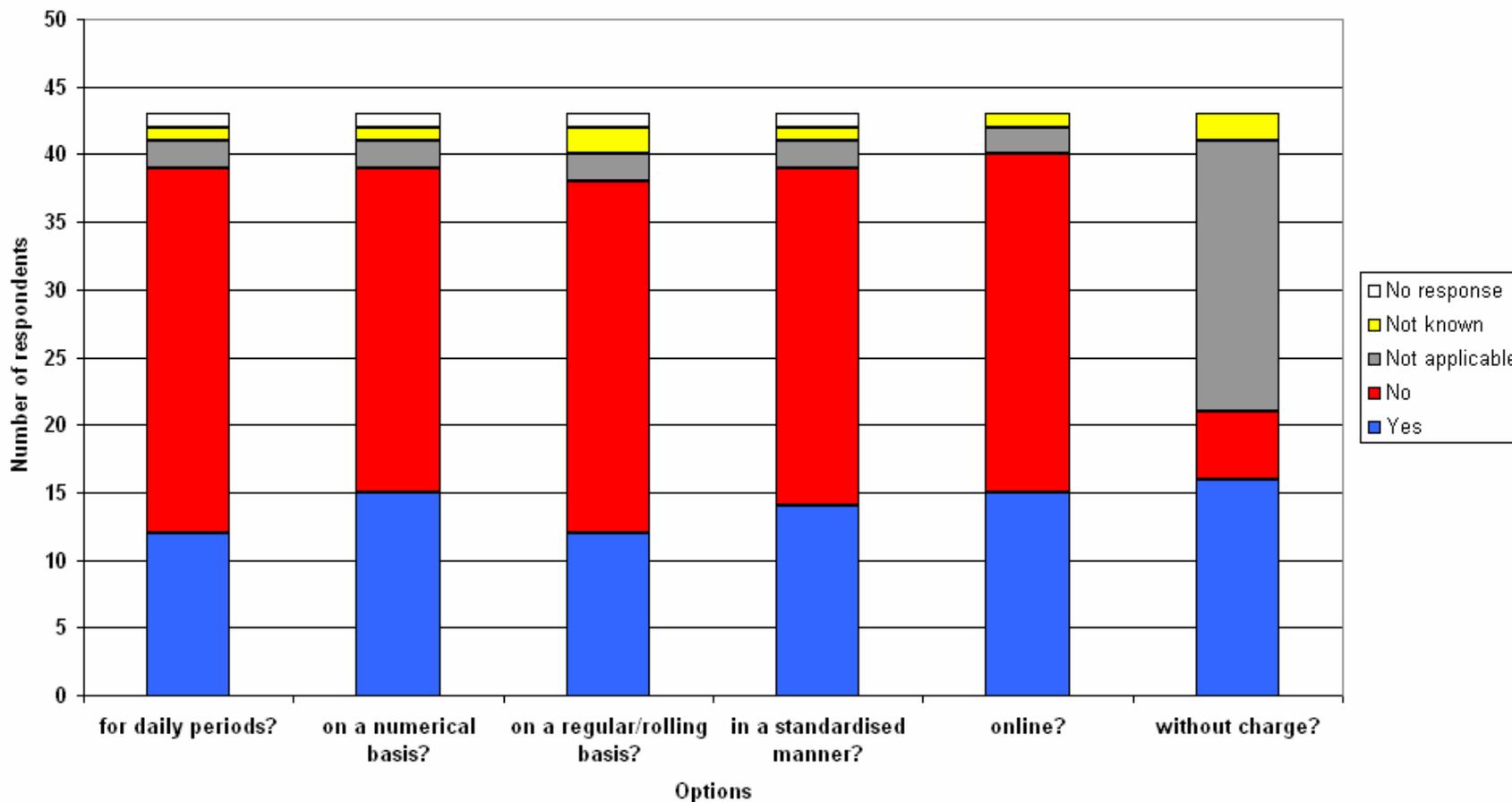


Disclaimer: Preliminary findings

Question 8.2



Does the TSO publish for all relevant points the maximum technical capacity for entering the system in counter flow?

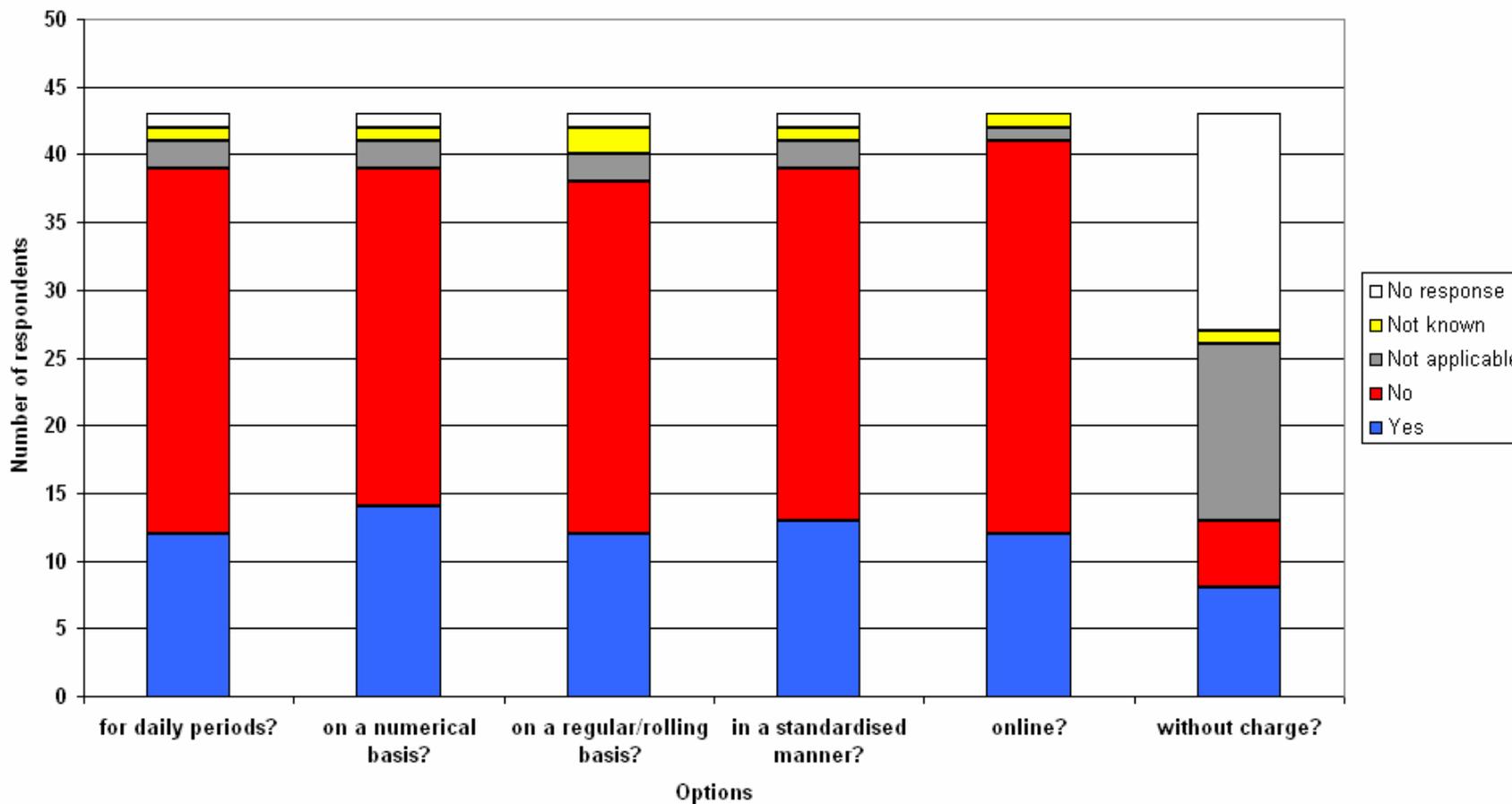


Disclaimer: Preliminary findings

Question 8.3



Does the TSO publish for all relevant points the maximum technical capacity for exiting the system in counter flow?

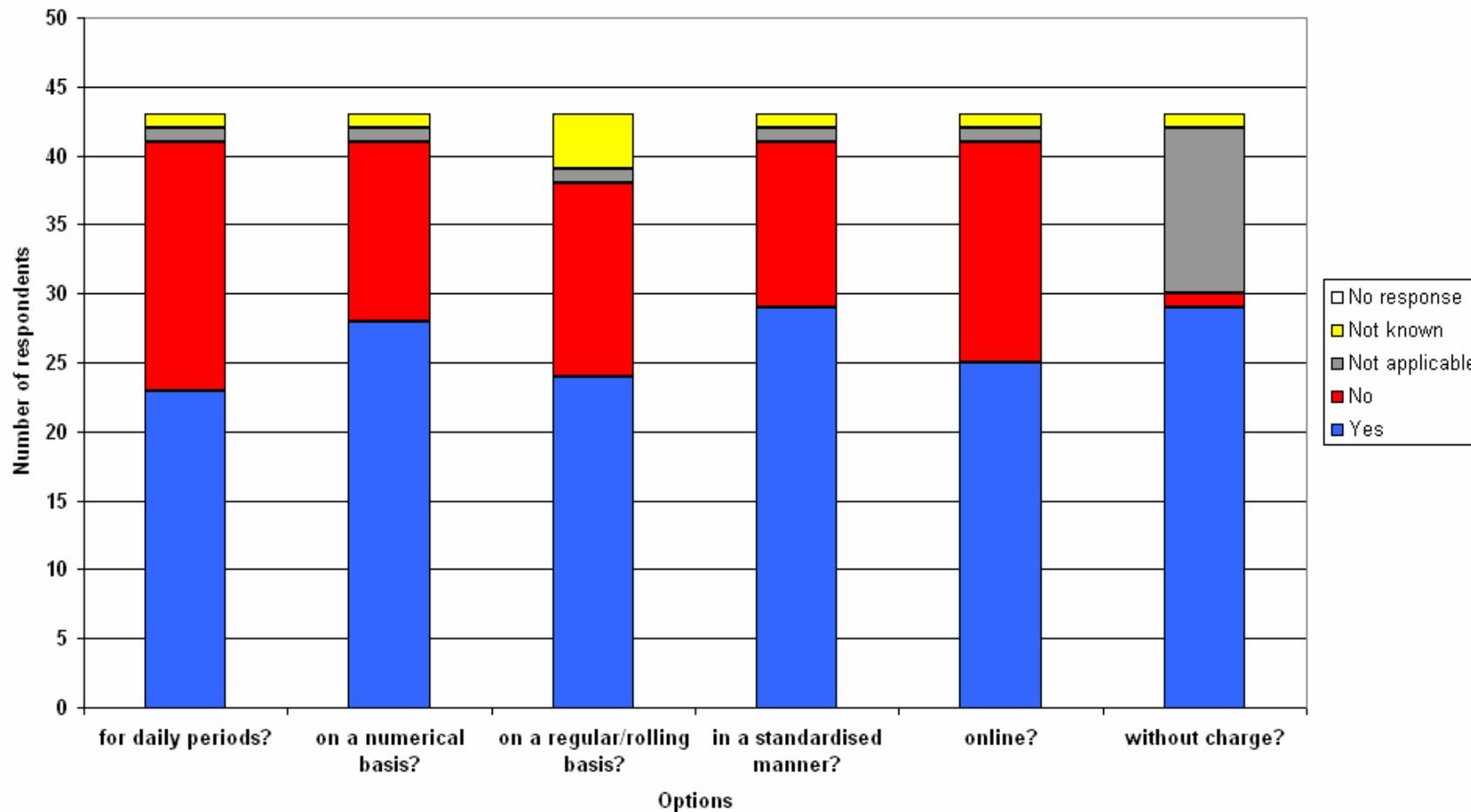


Disclaimer: Preliminary findings

Question 8.4



Does the TSO publish for all relevant points the total contracted firm capacity?

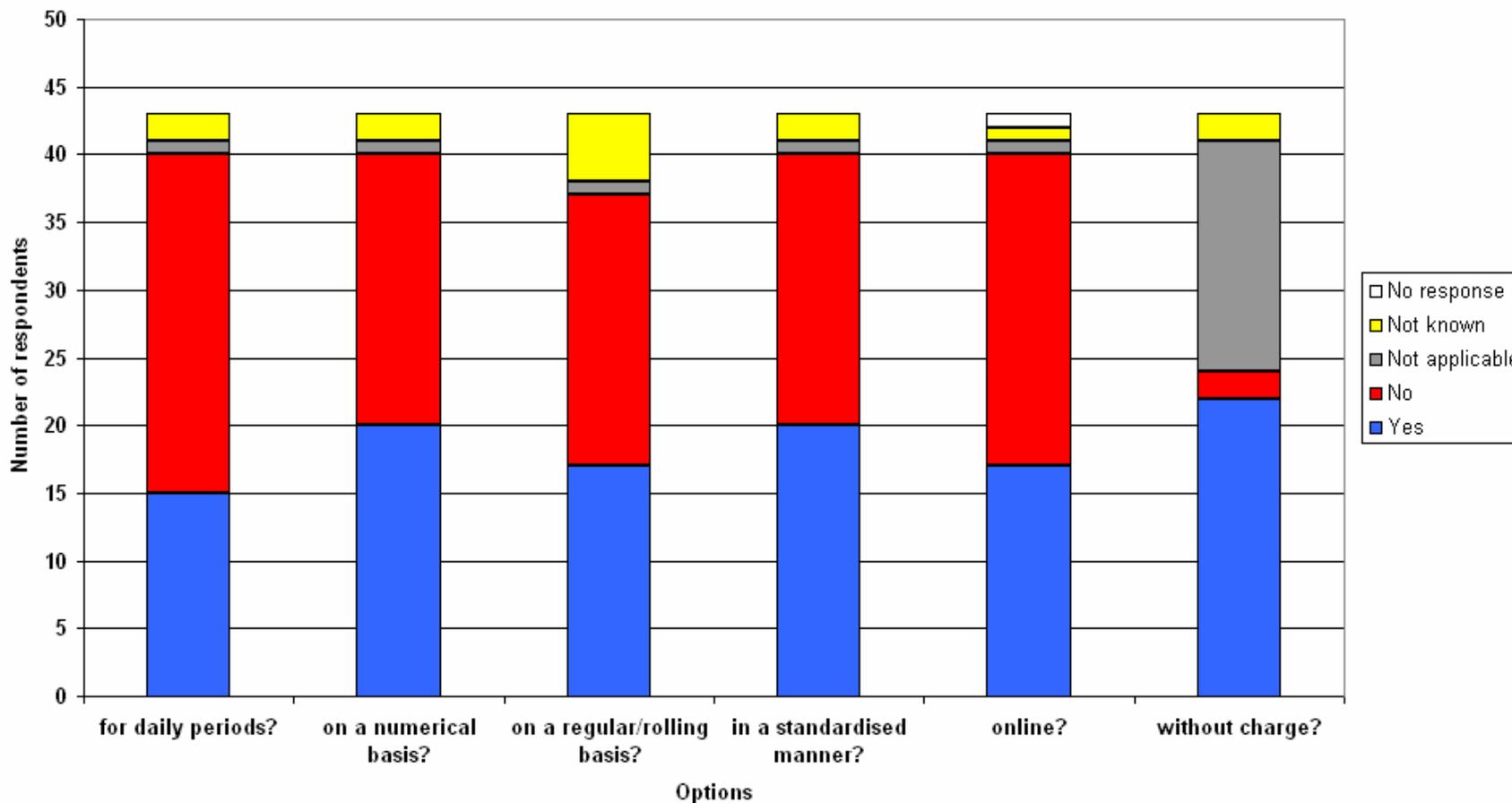


Disclaimer: Preliminary findings

Question 8.5



Does the TSO publish for all relevant points including entry and exit points the total contracted interruptible capacity?

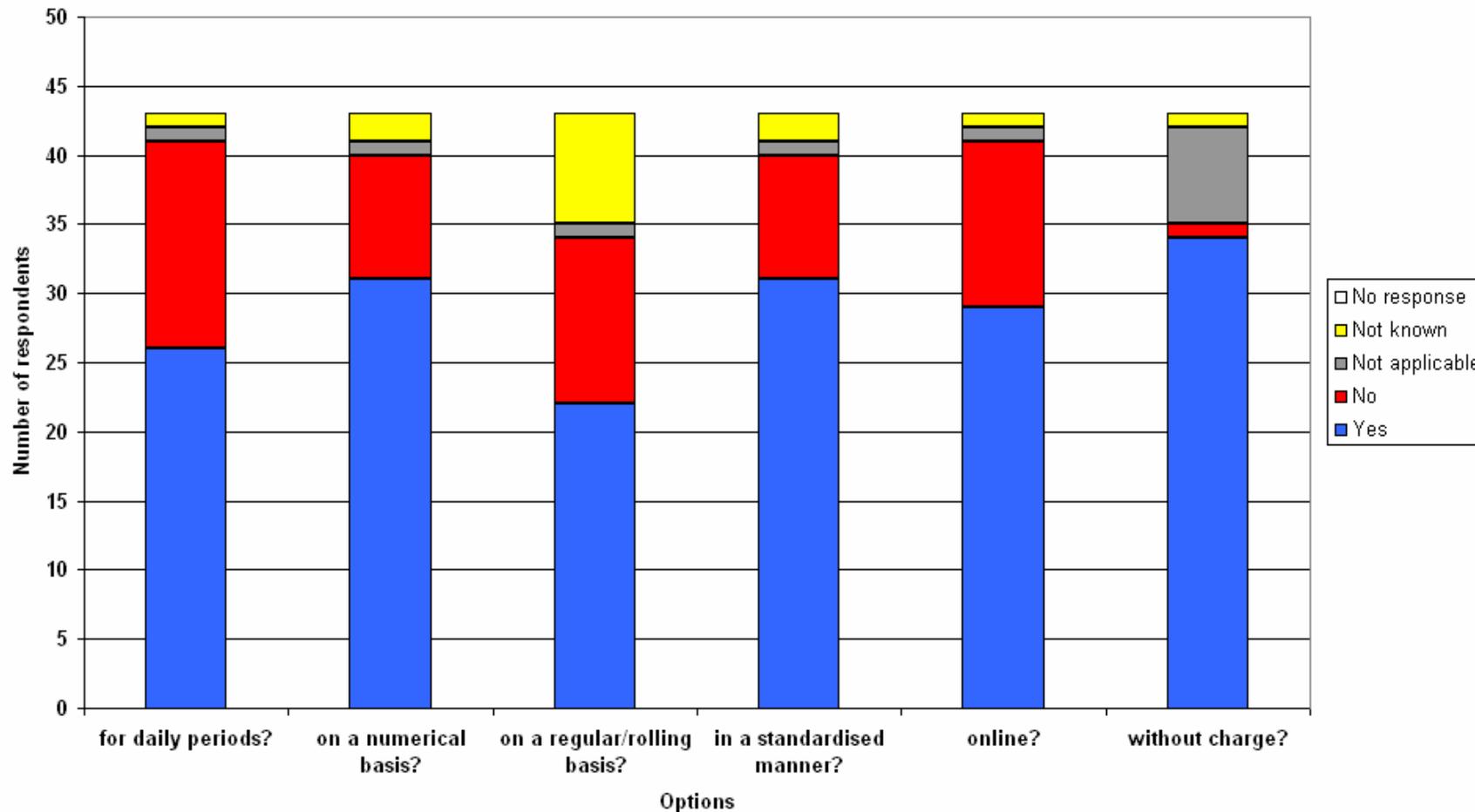


Disclaimer: Preliminary findings

Question 8.6



Does the TSO publish for all relevant points the available firm capacity?

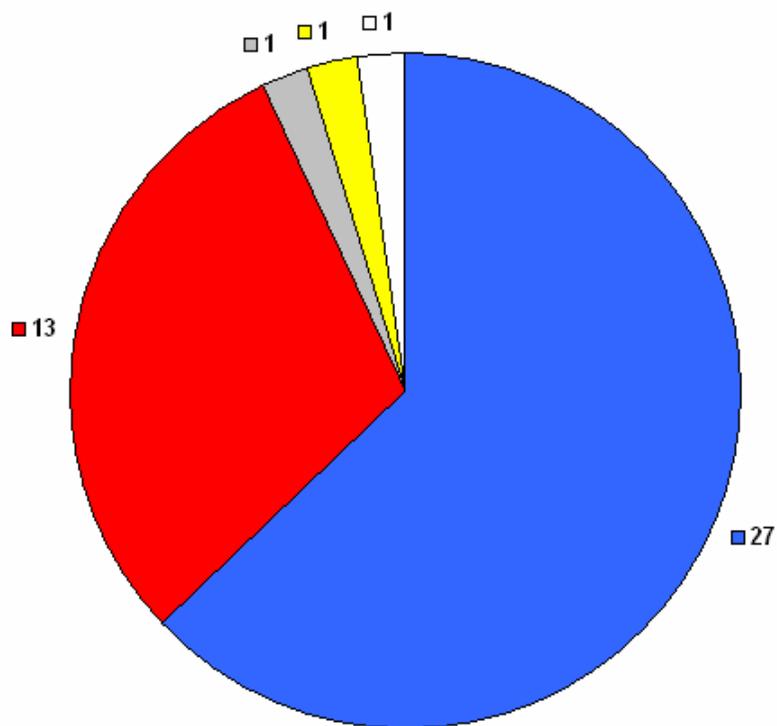


Disclaimer: Preliminary findings

Question 8.7



Does the TSO publish online a forecast for at least 18 months ahead on available and contracted capacity?



- Yes: TAG OGG BOG Fluxys ENDK TIGF GRT Gas EWE EVG Bayerngas Saar GdF-DT Statoil Eni Gas Union BEB RWE Ontras Hydro MOL SRG GTS SPP Geoplina Enagas Svenska Kraftnät (SO) Nova Naturgas (TO) NGT
- No: EGT EVA FN GVS Danges Münster Wingas BGE Lietuvos Dujos AB PTL PNG BGE (N IRL) GS
- Not applicable: Latvijas Gaze
- Not known: Exxon
- No response: RWE-T

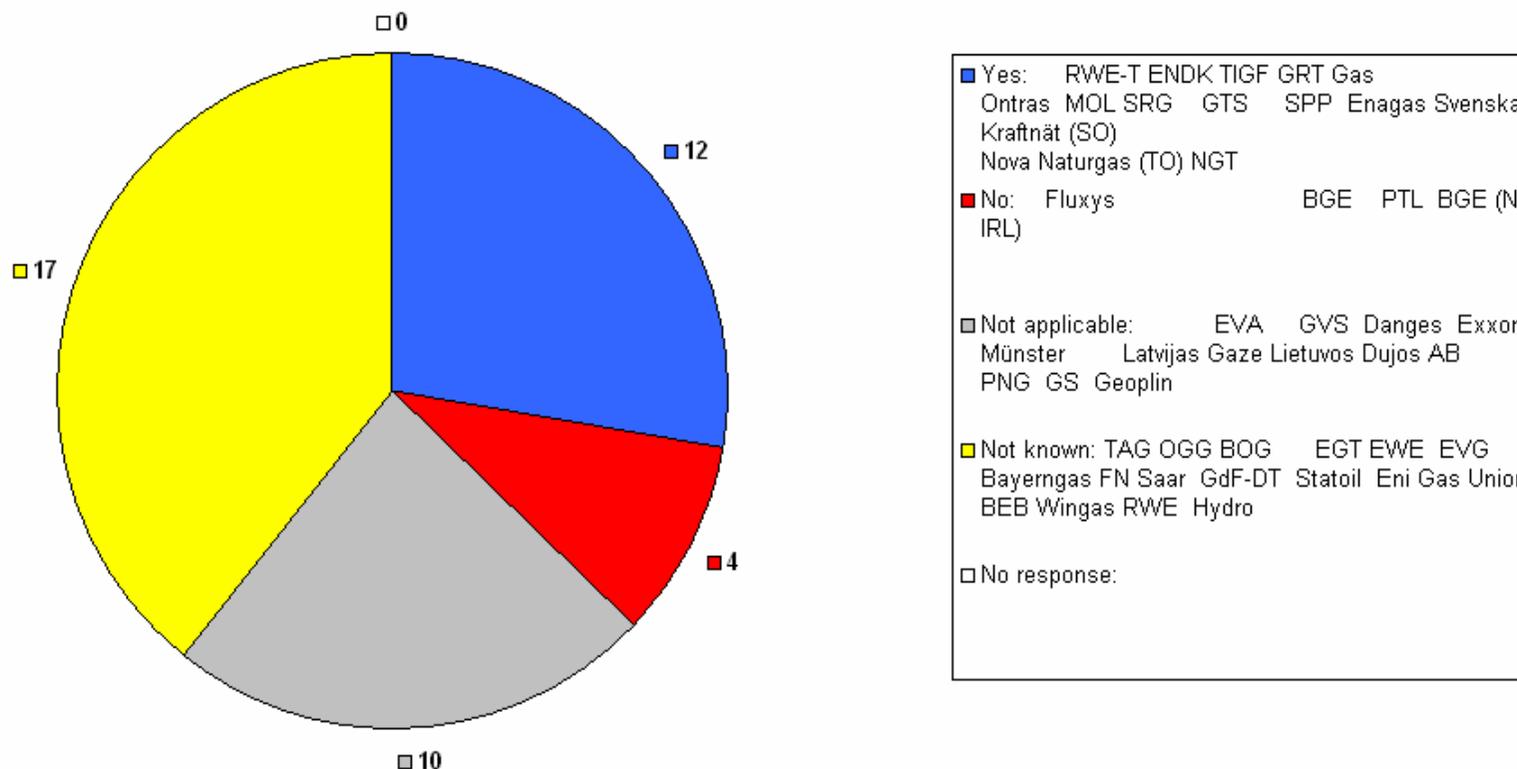
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.8



If yes, does the TSO update the forecast every month or more frequent when new information becomes available?



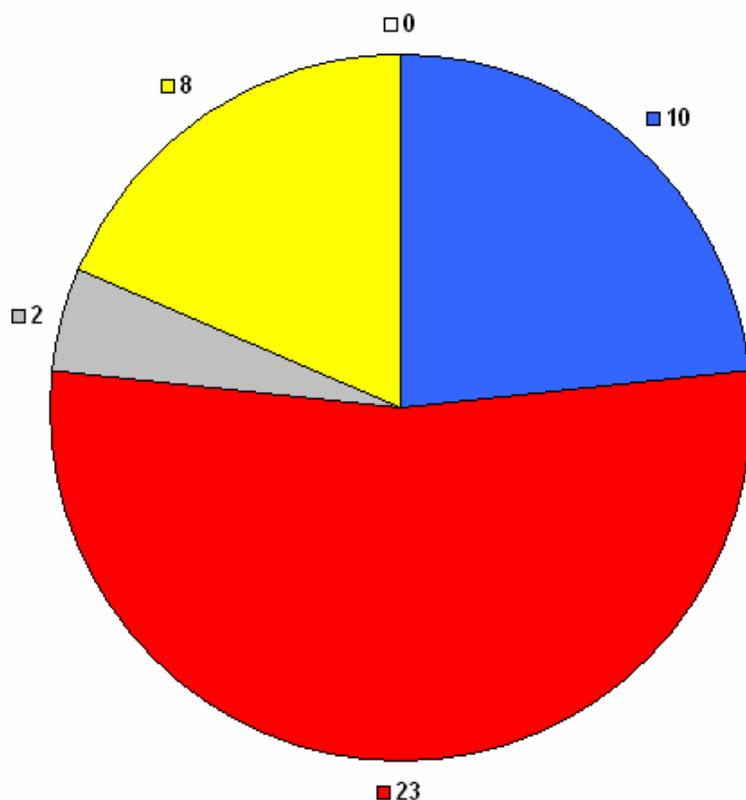
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.9



Does the TSO publish online daily updates of available short-term services (day/week ahead)?



- Yes: TAG OGG BOG RWE-T TIGF BEB
SPP Geoplin Enagas NGT
- No: Fluxys ENDK GRT Gas EWE EVA Saar
GVS GdF-DT Danges Statoil Eni Wingas RWE
Ontras Hydro MOL BGE Lietuvos Dujos AB PTL
PNG BGE (N IRL) GS Svenska Kraftnät (SO)
Nova Naturgas (TO)
- Not applicable: SRG Latvijas
Gaze
- Not known: EGT EVG Bayerngas FN
Exxon Gas Union Münster GTS
- No response:

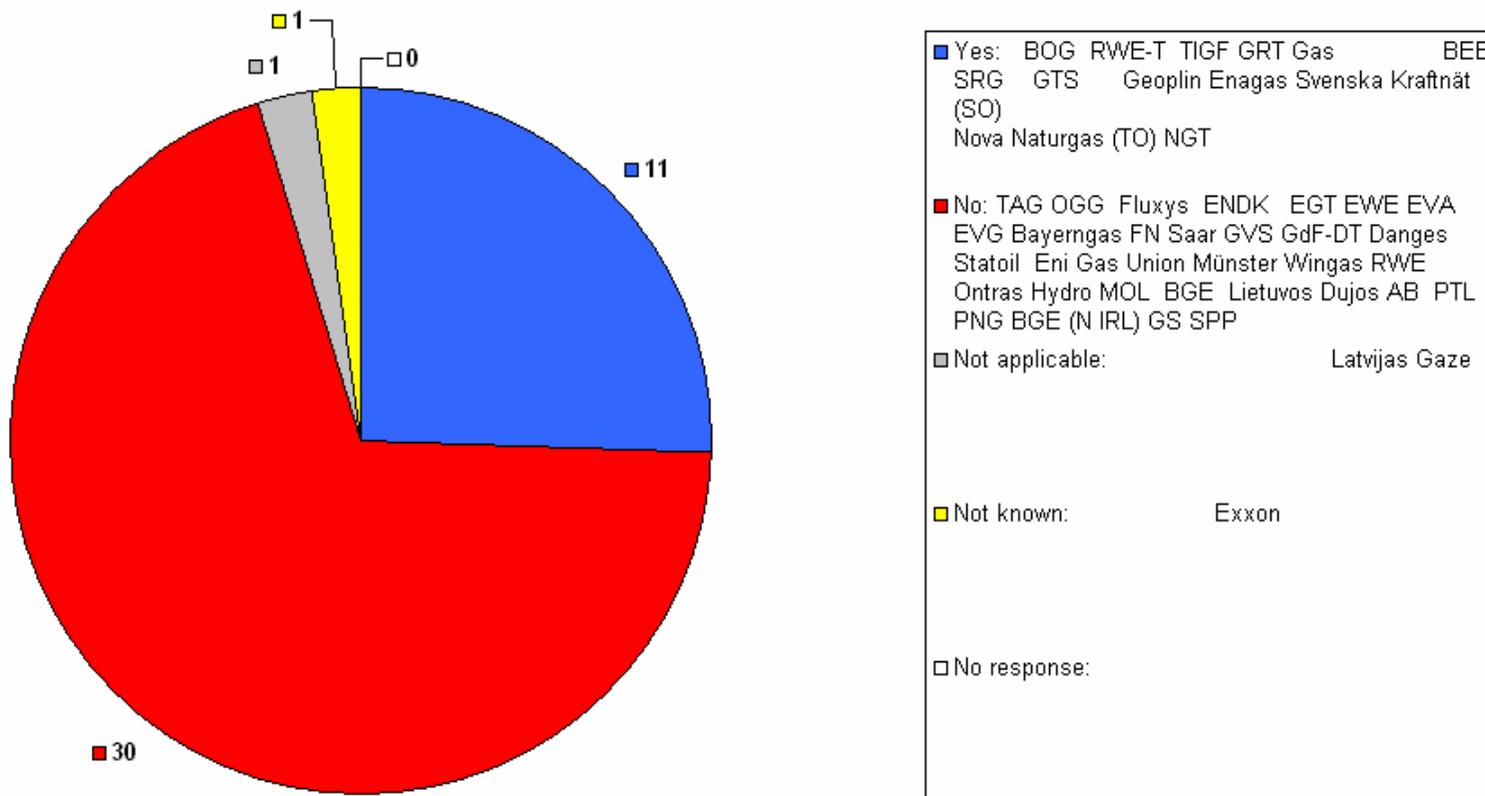
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.10



Does the TSO publish online a long-term forecast of available capacities for up to 10 years?



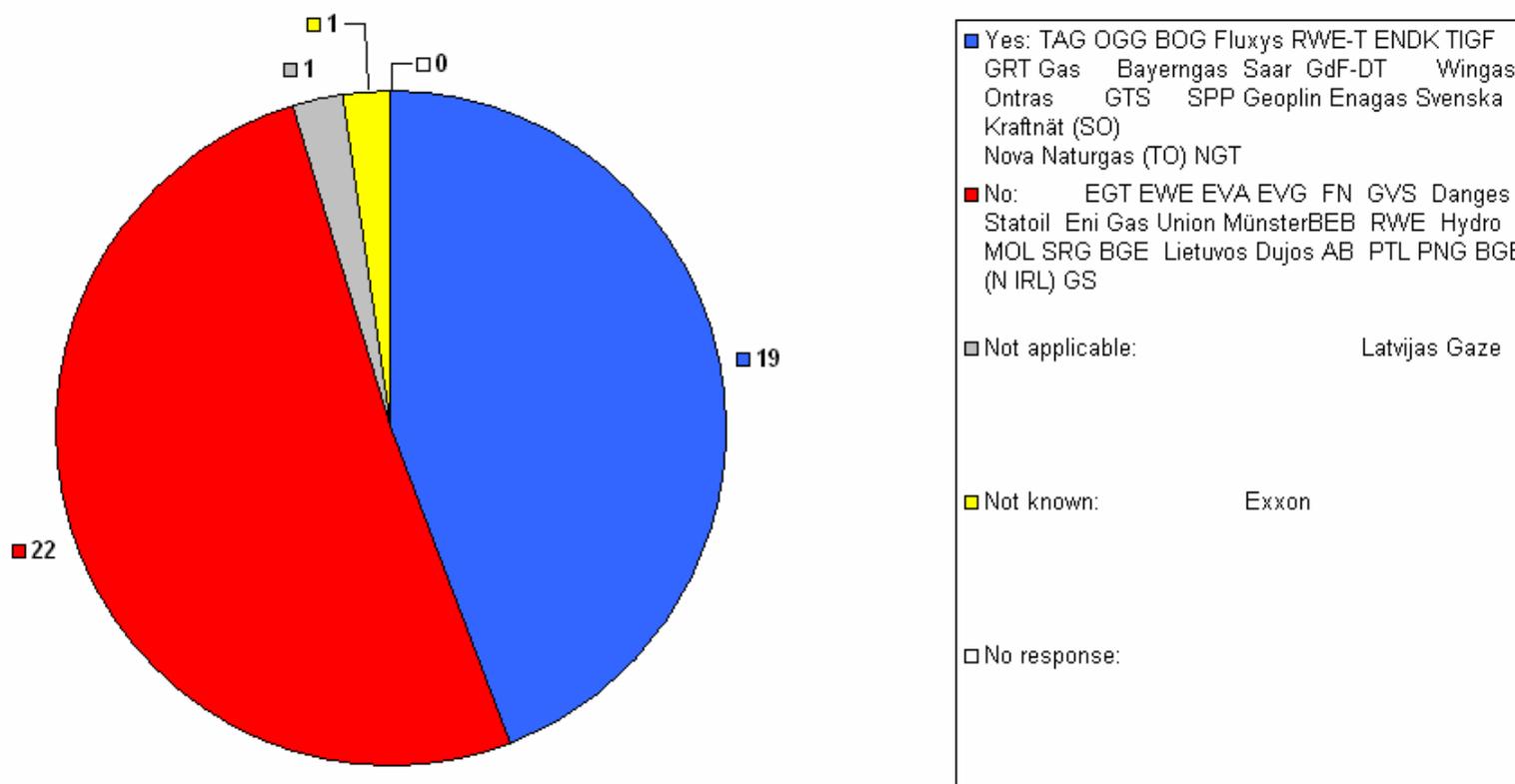
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.11 (part 1)



Does the TSO publish online historical maximum and minimum monthly capacity utilisation rates on a rolling basis?



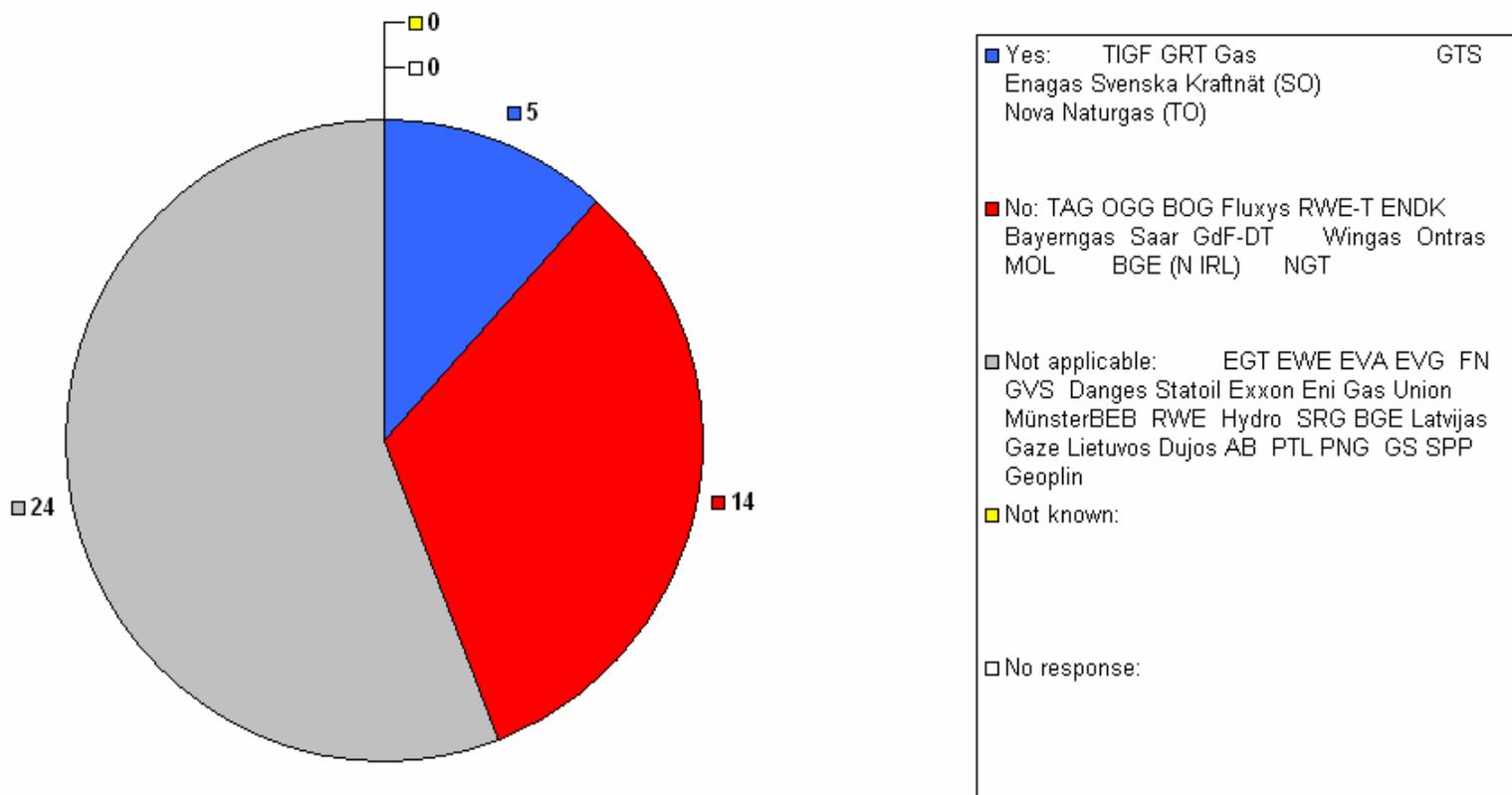
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.11 (part 2)



If so, does the online publication of historical utilisation rates include a comparison between historically committed and historically used capacities?
 [note: going beyond requirement of the Gas Regulation]



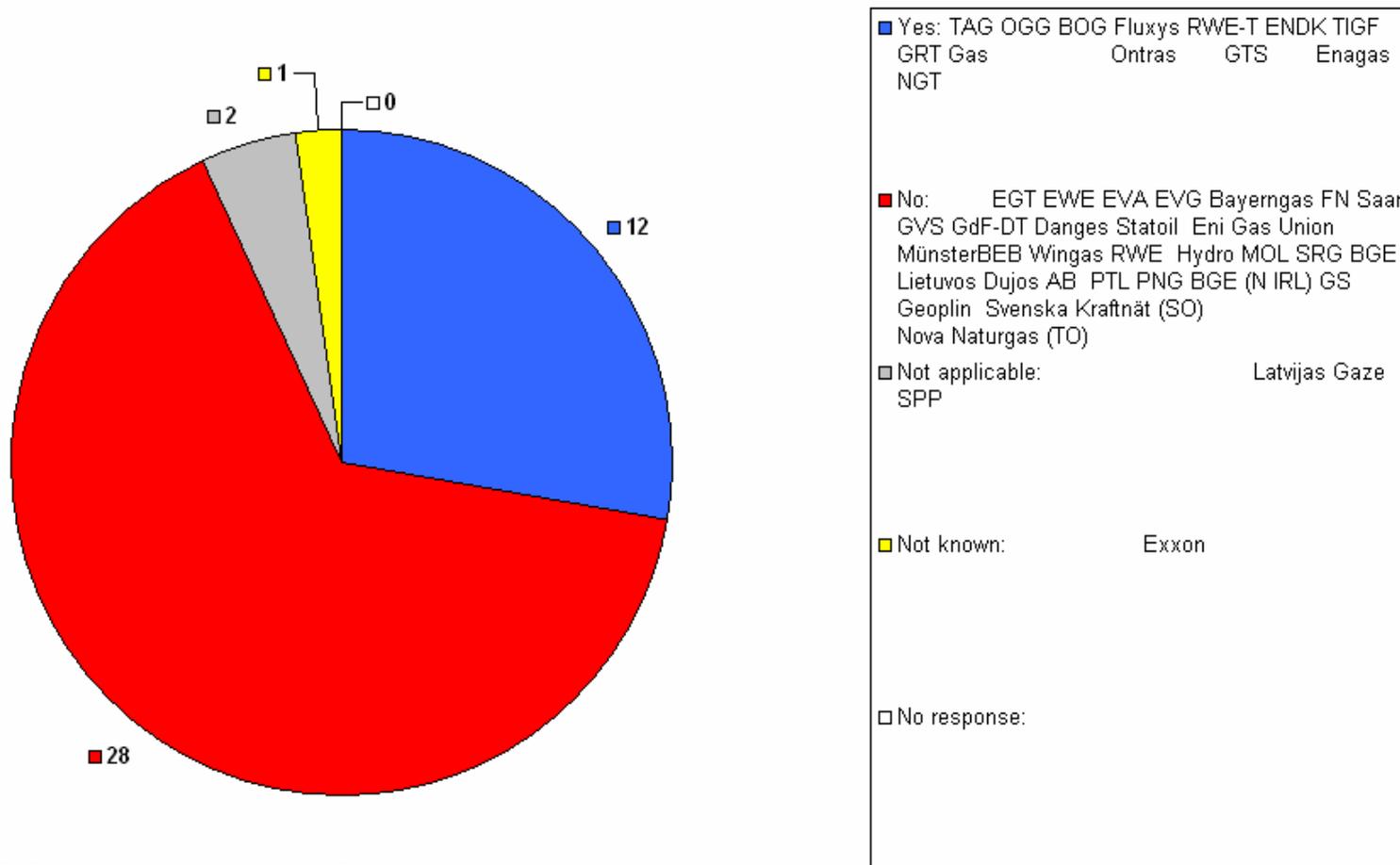
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.12



Does the TSO publish online annual average flows for the past 3 years on a rolling basis?



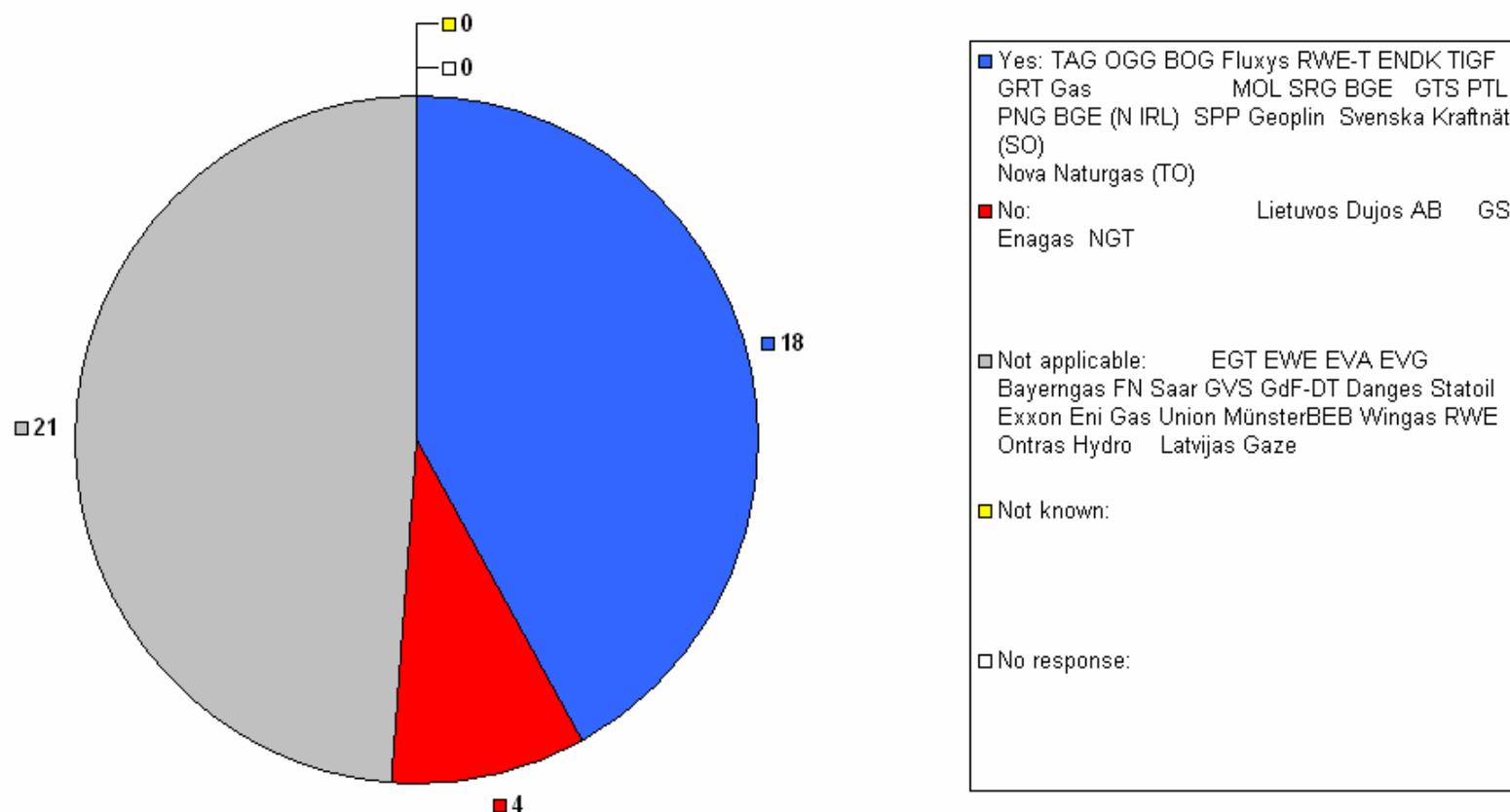
Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Question 8.13



Do the relevant points include all of the points listed in Annex 3.2 of the Regulation?



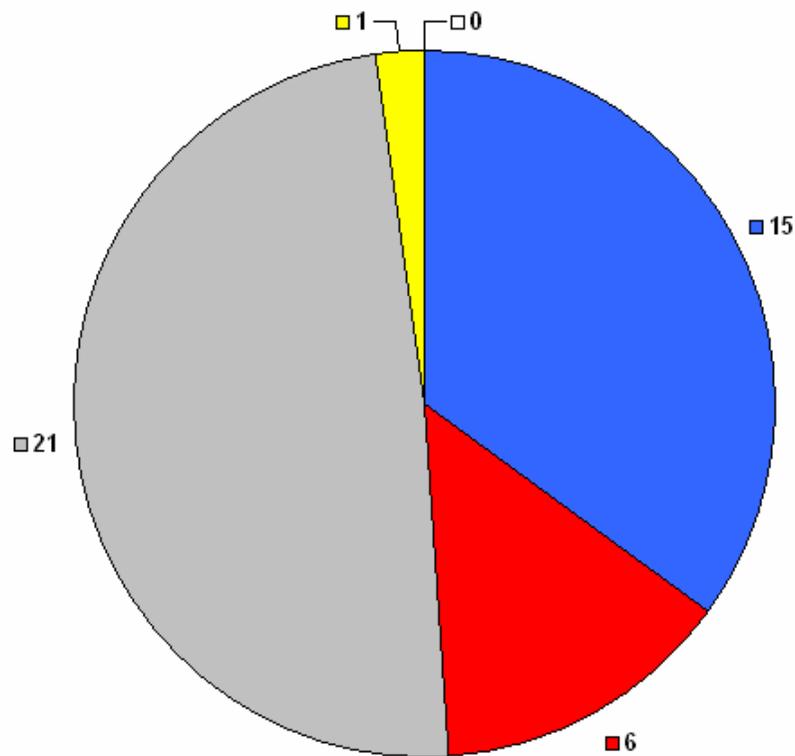
Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

Question 8.14



Are the relevant points approved by your regulatory authority?



- Yes: TAG OGG BOG RWE-T ENDK TIGF GRT Gas
MOL SRG BGE PTL PNG BGE (N IRL) SPP
Geoplin
- No: Fluxys Lietuvos Dujos AB
GS Enagas Svenska Kraftnät (SO)
Nova Naturgas (TO) NGT
- Not applicable: EGT EWE EVA EVG
Bayerngas FN Saar GVS GdF-DT Danges Statoil
Exxon Eni Gas Union MünsterBEB Wingas RWE
Ontras Hydro Latvijas Gaze
- Not known: GTS
- No response:

Disclaimer: Preliminary findings

Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Structure of the talk



- Interim results of compliance with the transparency requirements of Regulation 1775/2005 throughout Europe
- **Status of compliance with Regulation 1775/2005 monitored in GRI REM South-South-East (SSE)**
- The way forward

SSE – Monitoring of Reg. 1775/2005



EREGEG monitoring the implementation of Regulation 1775/2005 within the scope of the GRI

Monitoring in process – first interim results available for REM SSE

- Relevant countries: A, H, I, Slovenia, Slovakia, CZ, GR, PL
- Total number of TSOs monitored: 10

Overall results

- user-friendly instruments (online) not yet available from all TSOs
- bulletin boards, facilitating capacity trading only offered by few TSOs
- lack of compliance with transparency requirements (esp. concerning capacity information)
- full compliance was announced for 1st half of 2007 for most TSOs

Monitoring Regulation 1775 – TPA Tariffs *)



DRAFT RESULTS

Name of the TSO	TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava	Geoplin Plinovodi	DESFA
Does the TSO publish tariffs or the methodology used to calculate tariffs in English?	YES	YES	YES	YES	YES	YES	YES	YES	YES, not in E, 2007	NO
If yes, are the underlying cost principles of the methodology published?	YES	YES	YES	YES	NO	YES	YES	YES	YES, not in E, 2007	NO
Does the TSO publish a tariff calculator?	NO, 2007	YES	YES	YES	NO	YES	YES	YES	YES	NO

*) data based on the results of a questionnaire sent to NRA; results preliminary

Monitoring Regulation 1775 – TPA Services (1) *)



DRAFT RESULTS

TPA services	TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava	Geoplin Plinovodi	DESFA
Does the TSO publish a standard transportation contract/ common network code?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Has the standard transportation contract/ common network code been approved by the national regulator?	NO, 1Q.2007	NO, 1Q.2007	NO, 1Q.2007	YES	YES	YES	YES	YES	YES	YES

*) data based on the results of a questionnaire sent to NRA; results preliminary

Monitoring Regulation 1775 – TPA services (2) *)



DRAFT RESULTS

Name of TSO		TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava	Geoplin Plinovodi	DESFA
Does the TSO offer the following services?	firm transportation contracts	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
	interruptible transportation contracts	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO
	long-term transportation contracts	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
	short-term transportation contracts	YES	YES	YES	YES	YES	NO 1.10.2007	YES	YES	YES	YES
Does the TSO offer the following services online	capacity booking	NO, 2007	YES	YES	YES	NO, 1.7.2007	YES	NO, 31.12.2007	YES	NO, 2007	NO
	nomination and re-nomination procedures	NO, 2007	YES	YES	YES	YES	YES	NO, 31.12.2007	YES	NO, 2007	NO
	transfer of capacity rights	NO	NO	NO	NO	NO, 1.7.2007	YES	NO, 31.12.2007	NO	NO, 2007	NO
	information on the balancing status of network users	NO, 2007	YES	YES	YES	NO, 1.7.2007	YES	NO, 31.12.2007	YES	NO, 2007	NO

*) data based on the results of a questionnaire sent to NRA; results preliminary

Monitoring Regulation 1775 – Capacity Trading *)



DRAFT RESULTS

Capacity allocation/congestion management	TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava	Geoplin Plinovodi	DESFA
Does the TSO release unused capacity at least on an interruptible basis in case of contractual congestion?	NO, 1Q.2007	YES	YES	YES	YES	YES	YES	no congestion existed	YES	NO
Which capacity allocation mechanism does the TSO apply in case of physical congestion?	pro rata, auction, fcfs	no physical congestion	no physical congestion	Merit order (long term-short term), Pro-rata (yearly, daily), daily capacities - FCFS	auction	priority order + pro rata	pro rata	pro rata	pro rata	n.a.
Capacity trading	TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava,	Geoplin Plinovodi	
Does the TSO offer a bulletin board?	YES	YES	YES	YES	NO, 1.7.2007	YES	NO, 31.12.2007	NO	NO, 2007	NO

*) data based on the results of a questionnaire sent to NRA; results preliminary

Monitoring Regulation 1775 – Transparency *)



DRAFT RESULTS

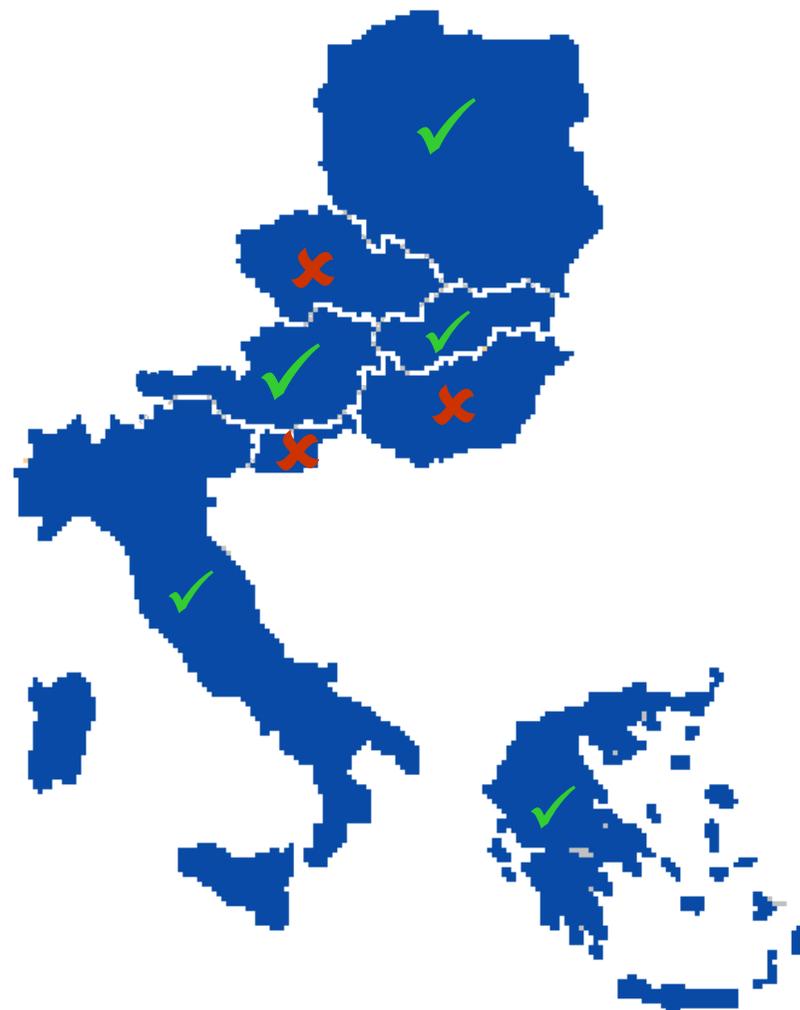
Transparency		TAG	BOG	OMV Gas	RWE Transgas NET	MOL	Snam Rete Gas	GAZ-SYSTEM	SPP - preprava	Geoplin Plinovodi	DESFA
Does the TSO publish for all relevant points the available firm capacity	for daily periods?	NO	YES	YES	YES	NO, 1.7.2007	YES	NO	YES	NO, 2007	NO
	on a numerical basis?	YES	YES	YES	NO, appr. by NRA	YES	YES	NO	YES	YES	NO
	on a regular/rolling basis?	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO
	in a standardised manner?	NO	YES	YES	YES	YES	YES	YES	YES	YES	NO
	online?	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO
	without charge?	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO
Does the TSO publish online daily updates of available short-term services (day/week ahead)?		YES	YES	YES	YES	NO, 1.7.2007	NO	NO, 30.6.2007	YES	YES	NO
Does the TSO publish online a long-term forecast of available capacities for up to 10 years?		NO	NO	YES	YES	NO, 1.7.2007	YES	NO, 30.6.2007	NO, 2007	YES	NO
Does the TSO publish online historical maximum and minimum monthly capacity utilisation rates on a rolling basis?		YES	YES	YES	YES	NO, 1.7.2007	NO	NO, 30.6.2007	YES	YES	NO

*) data based on the results of a questionnaire sent to NRA; results preliminary

Monitoring of Regulation 1775 – Penalties *)



→ Are there adequate and effective sanctions/penalties in place to allow for enforcement of the requirements of the Regulation?



The way forward



- 1. Compliance with Regulation 1775/2005**
 - monitoring via GRI
 - each RCC to monitor and prepare an evaluation report
 - overall results for information to the EC

- 2. Transparency guidelines**
 - will be prepared for advice to the EC