



## **Report on the compliance with Regulation 1775/2005**

*Walter Boltz, Chairman ERGEG GFG*

---

XII<sup>th</sup> 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

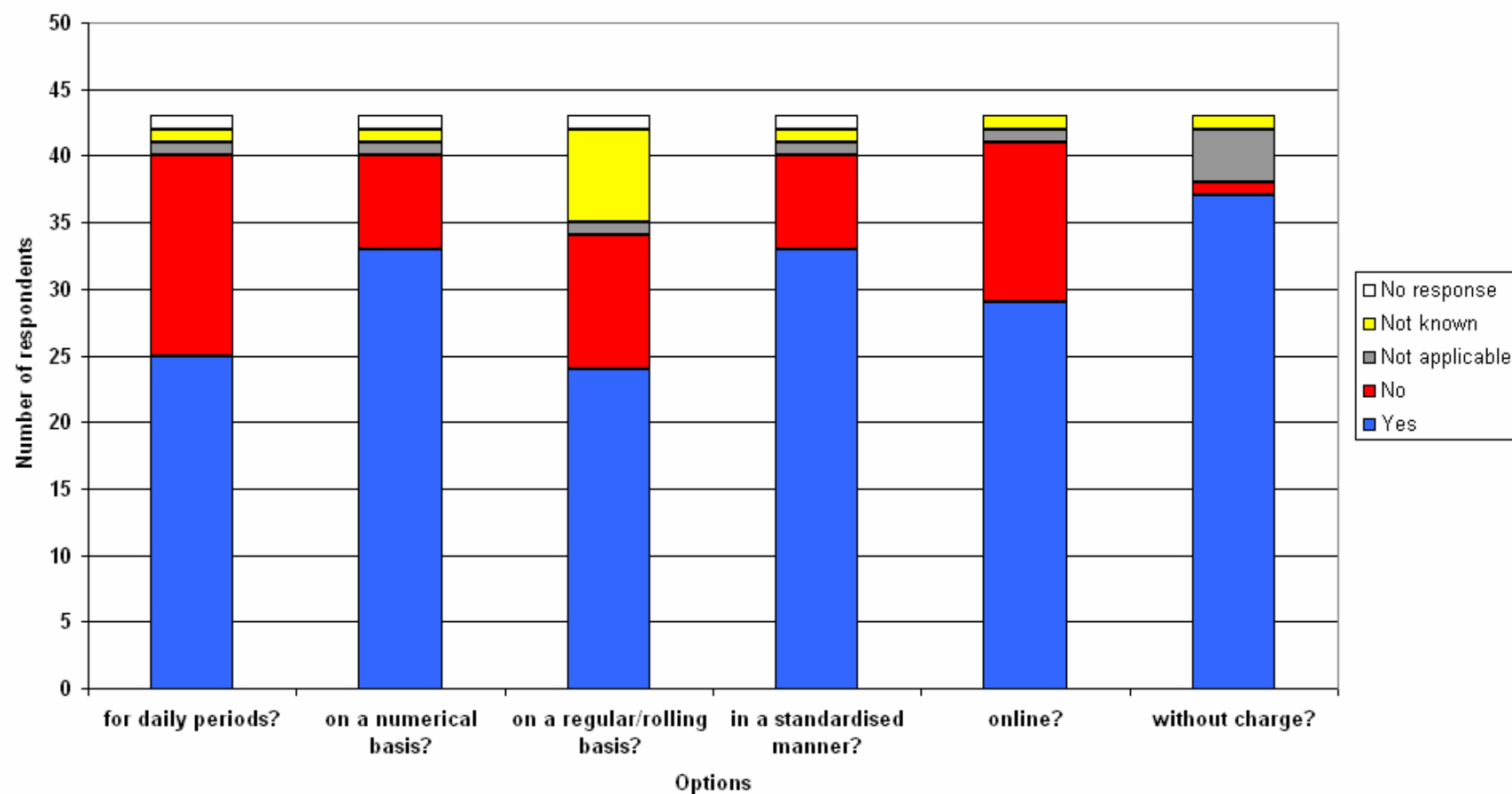
---



- ➔ 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

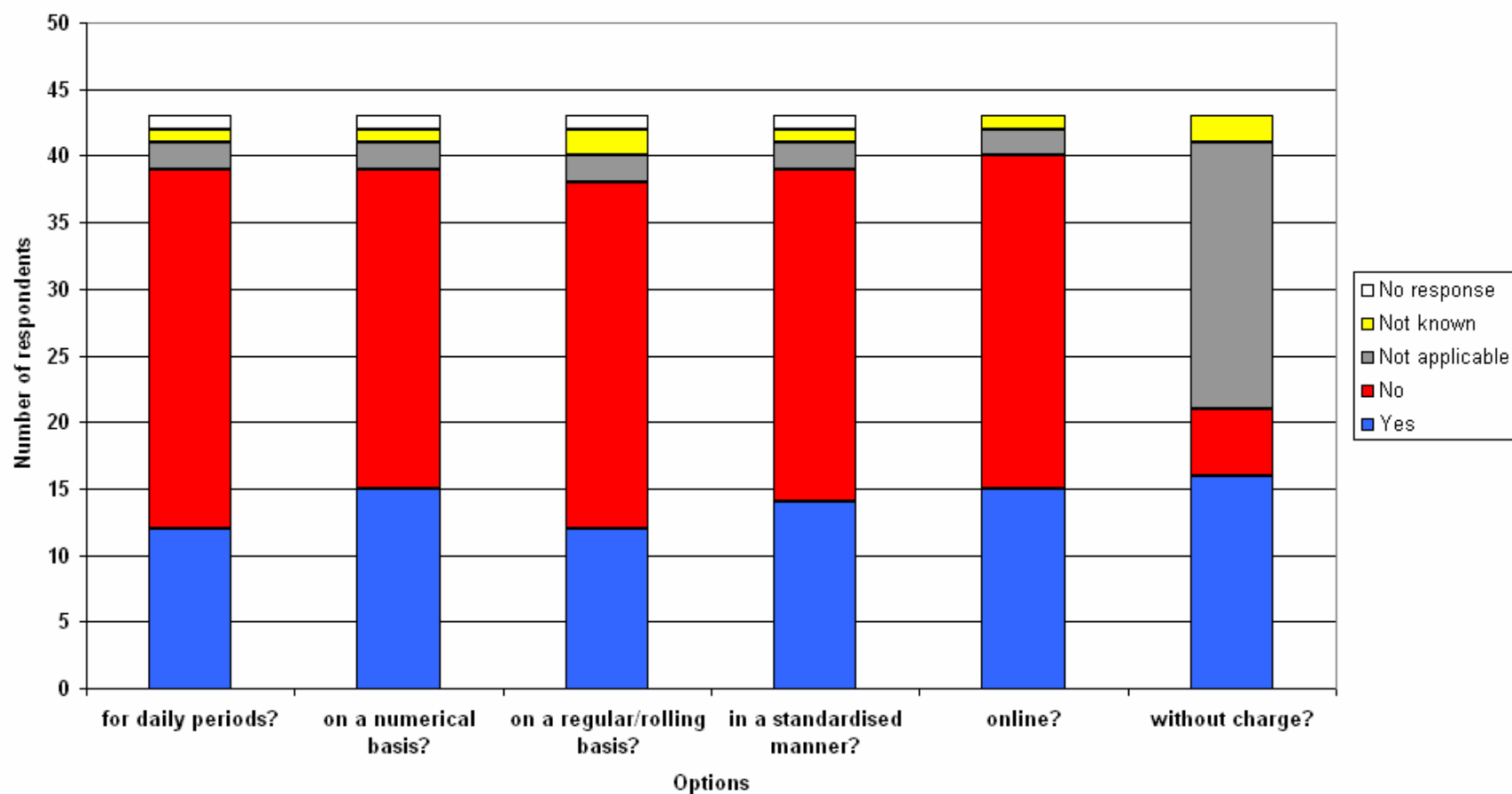
Does the TSO publish for all relevant points including entry and exit points the maximum technical capacity?



Disclaimer: Preliminary findings

## Question 8.2

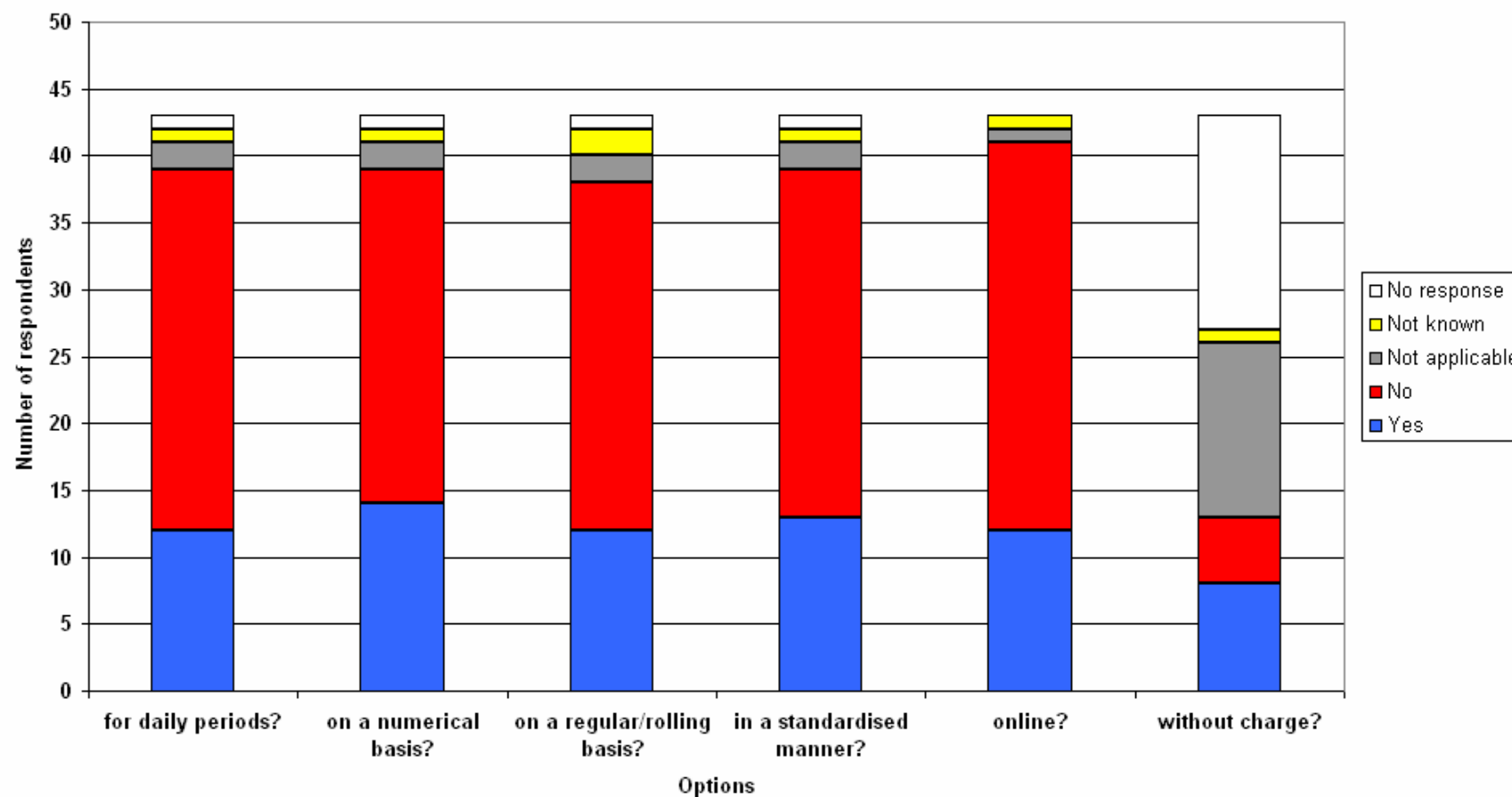
Does the TSO publish for all relevant points the maximum technical capacity for entering the system in counter flow?



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?

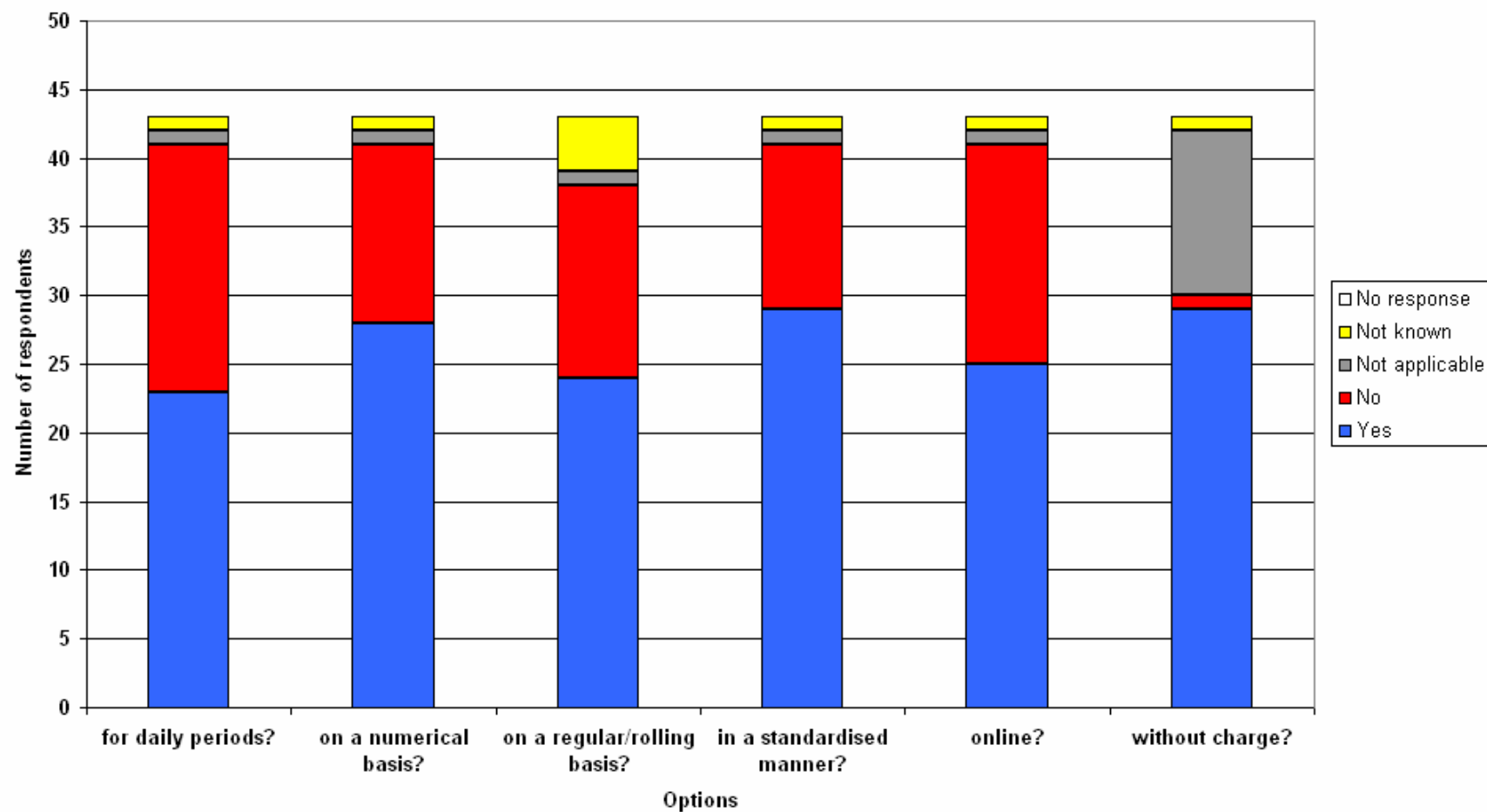


Disclaimer: Preliminary findings



## Question 8.4

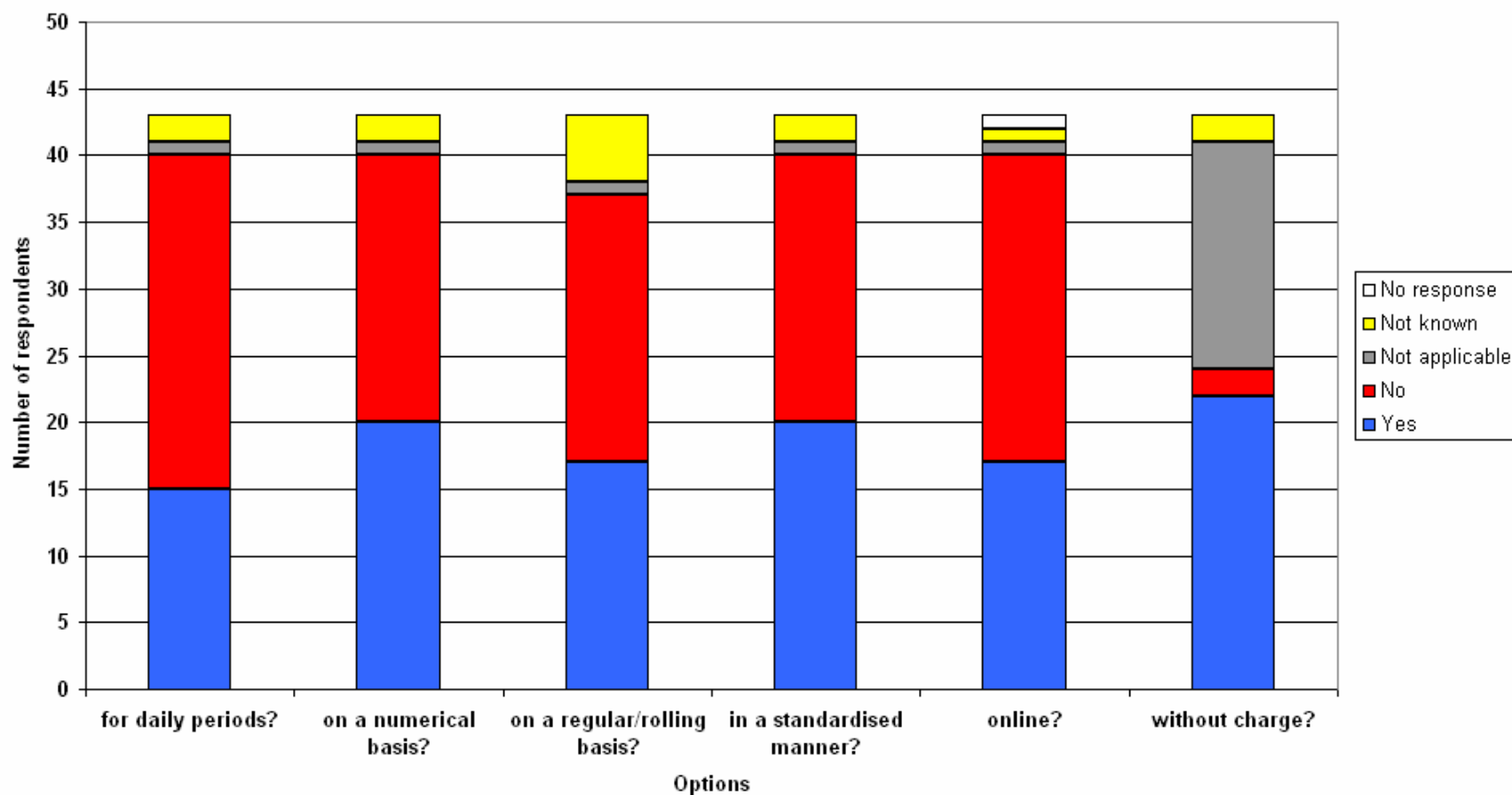
Does the TSO publish for all relevant points the total contracted firm capacity?



Disclaimer: Preliminary findings

## Question 8.5

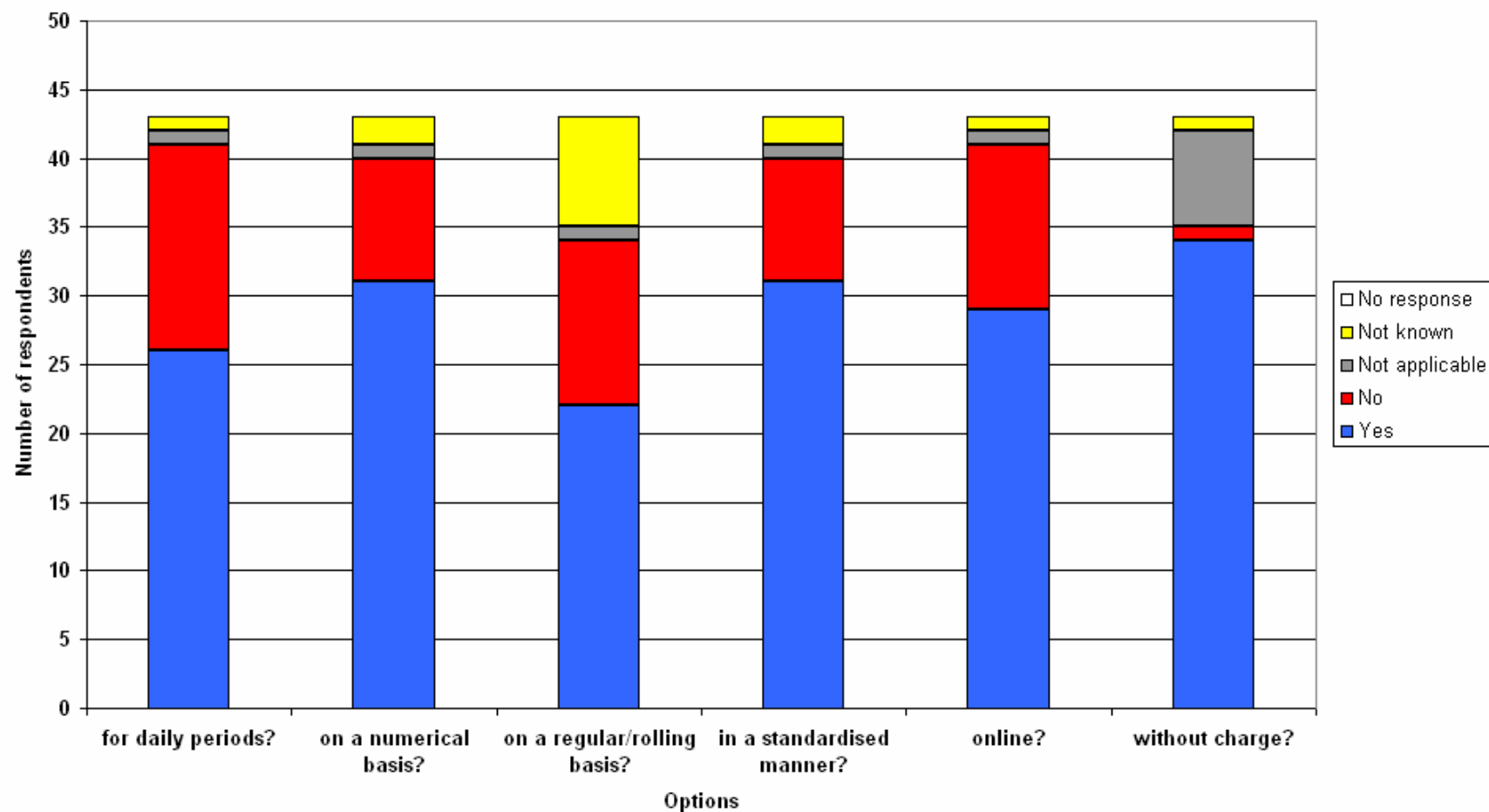
Does the TSO publish for all relevant points including entry and exit points the total contracted interruptible capacity?



Disclaimer: Preliminary findings

## Question 8.6

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

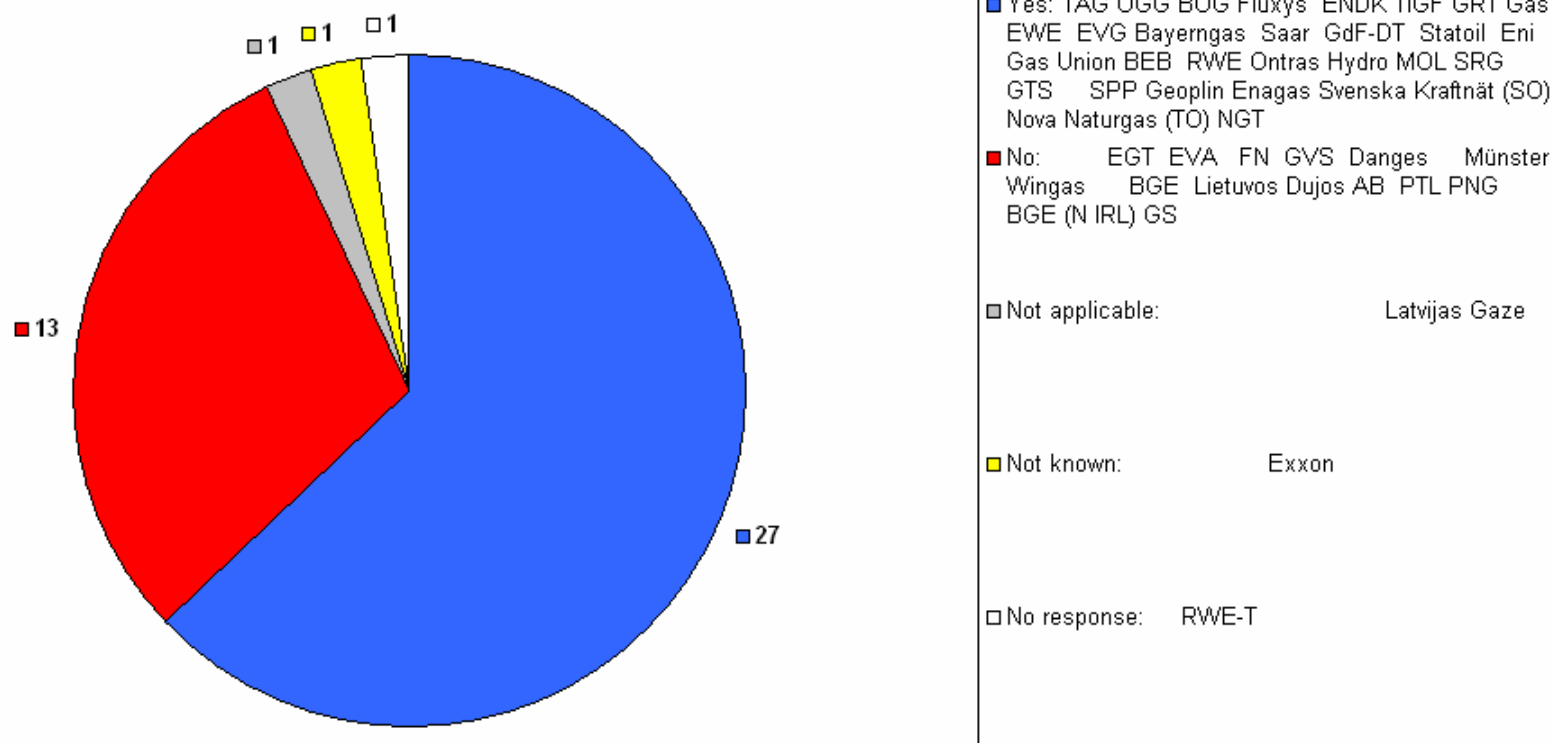


Disclaimer: Preliminary findings

## Question 8.7



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



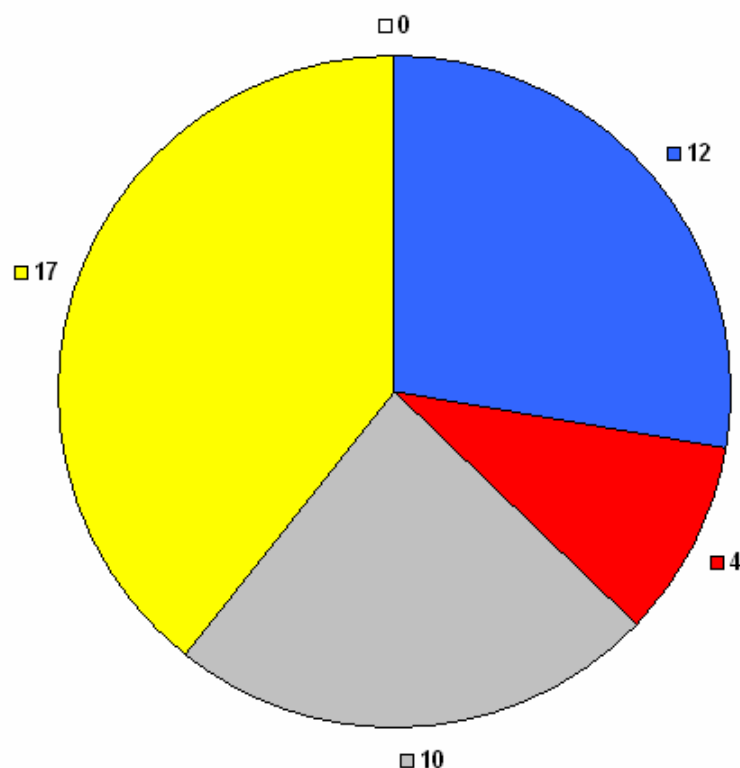
Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

## Question 8.8



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



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

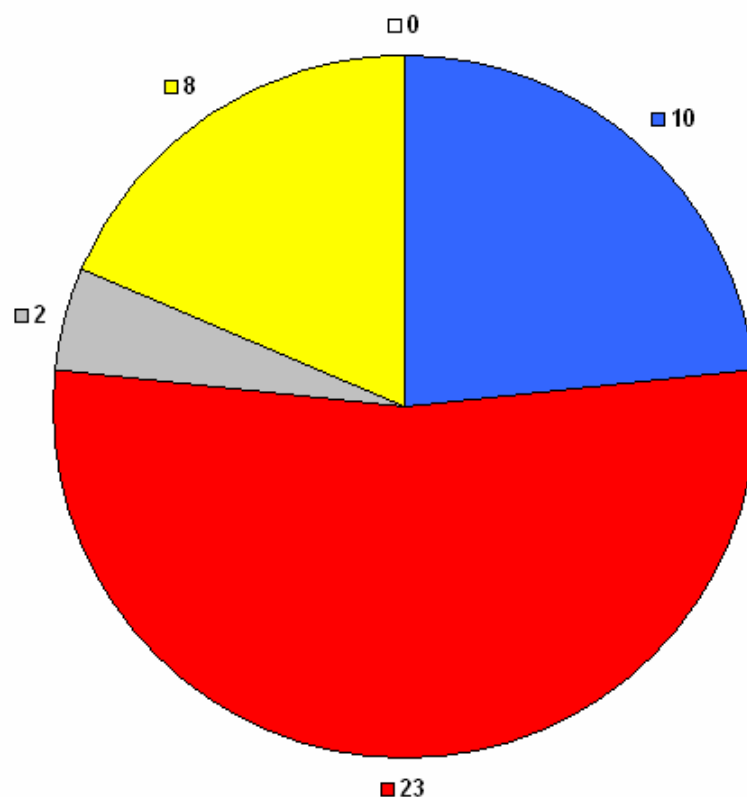
Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

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

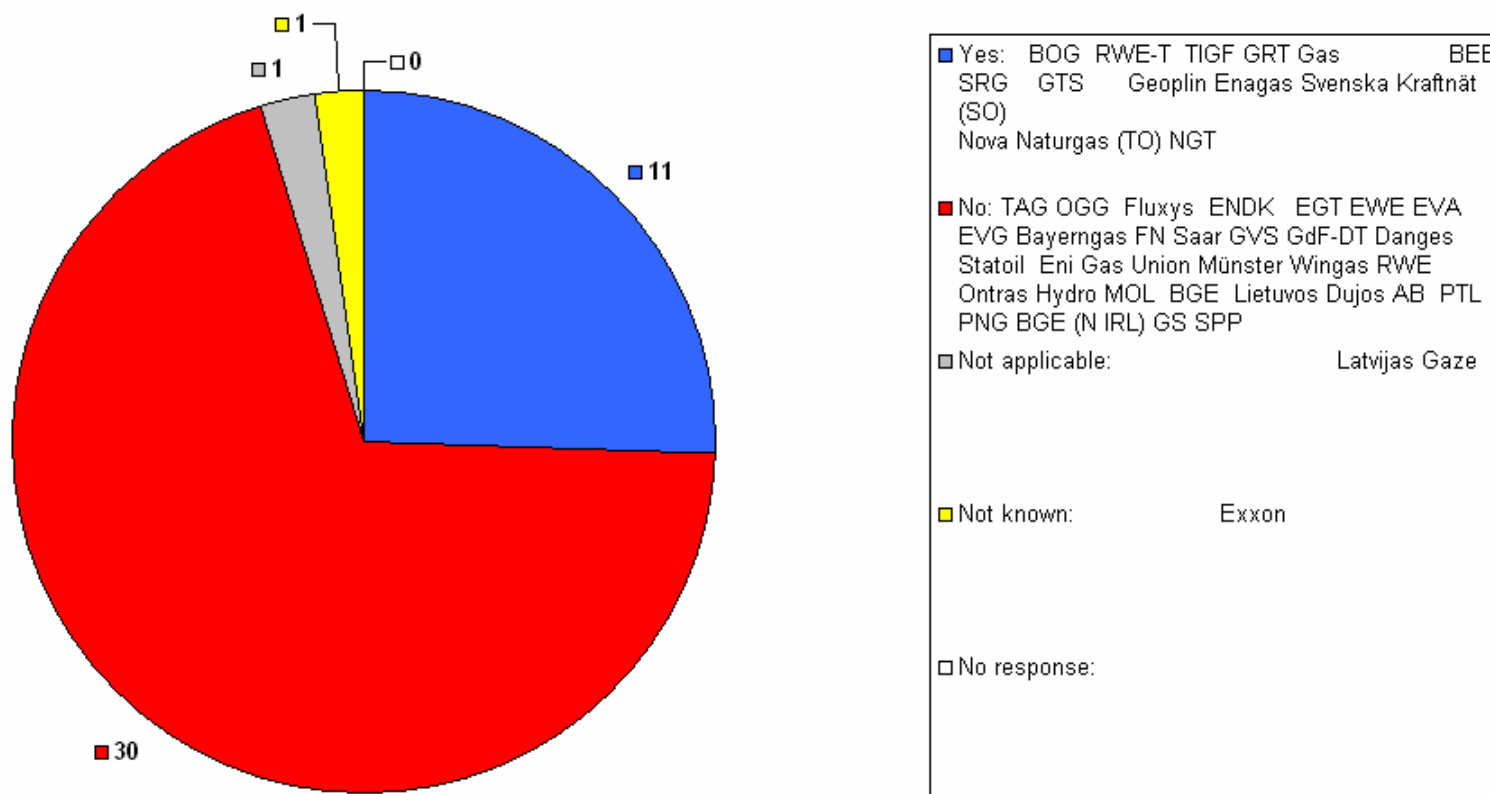
Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

## Question 8.10



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



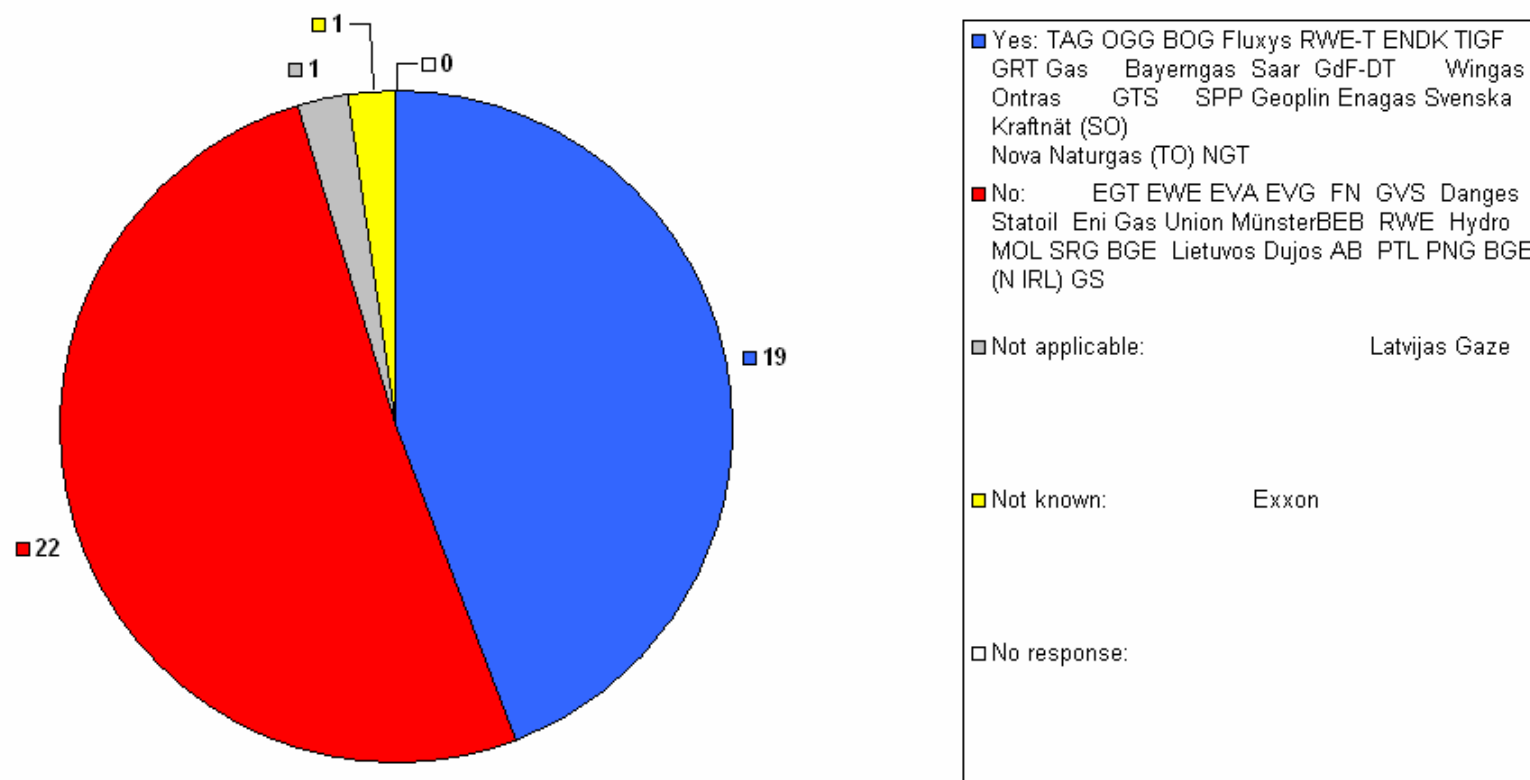
Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

# Question 8.11 (part 1)



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



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

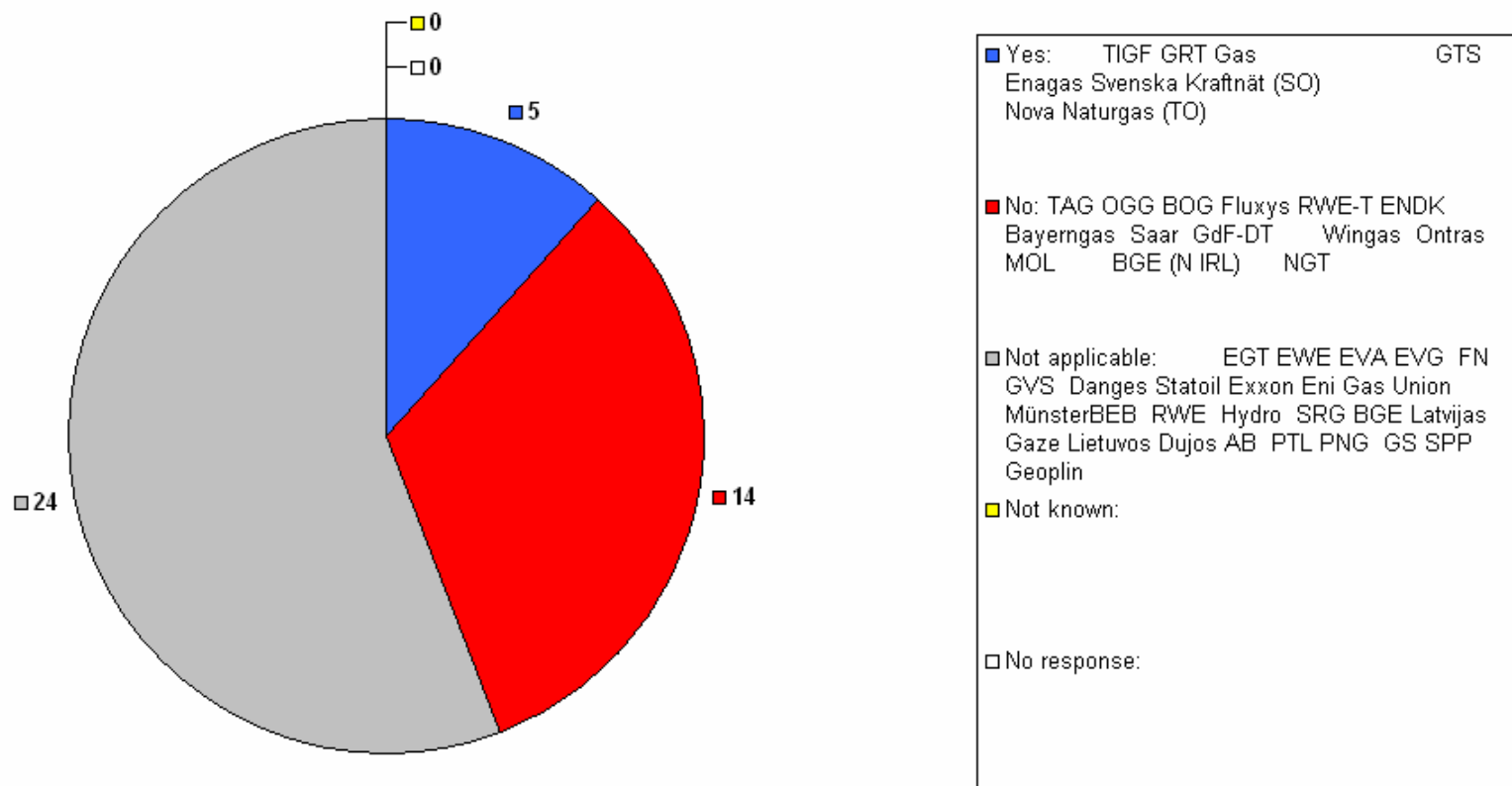
Disclaimer: Preliminary findings



## 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]

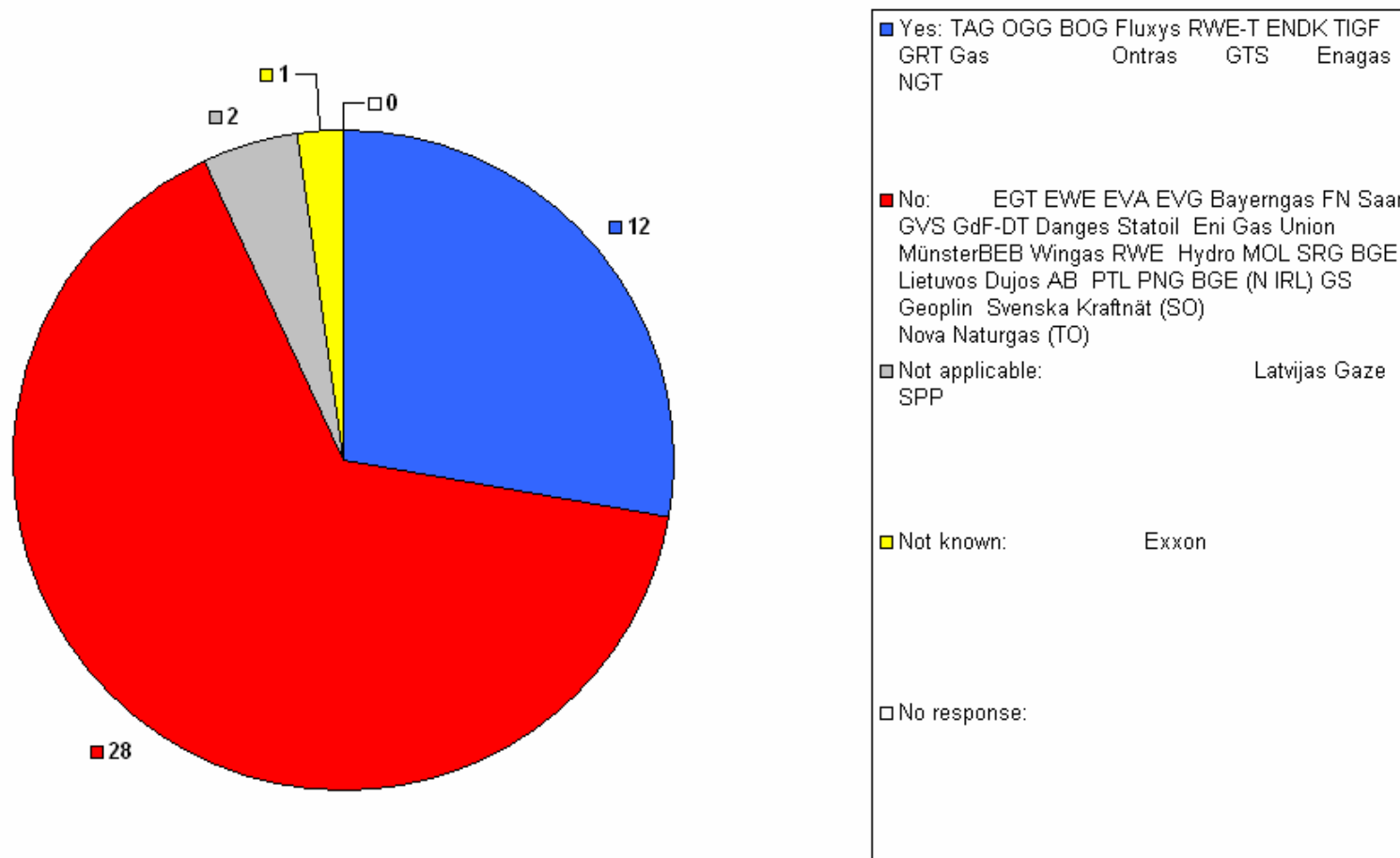


Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

## Question 8.12

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

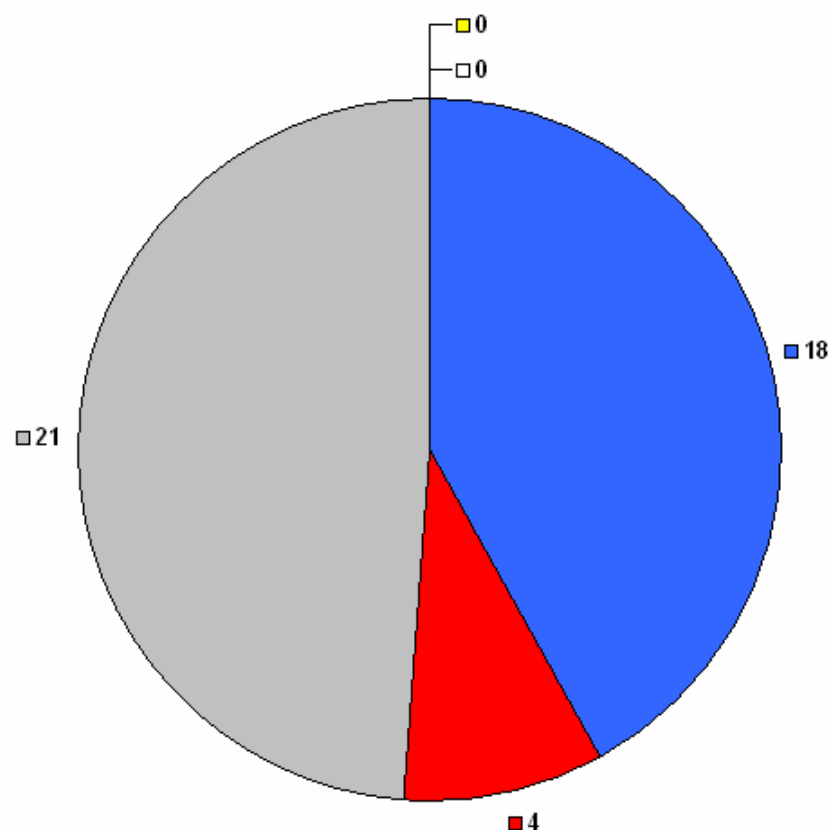


Source: ERGEG Survey 2006, Analysis by E-Control GmbH, Austria

Disclaimer: Preliminary findings

# Question 8.13

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



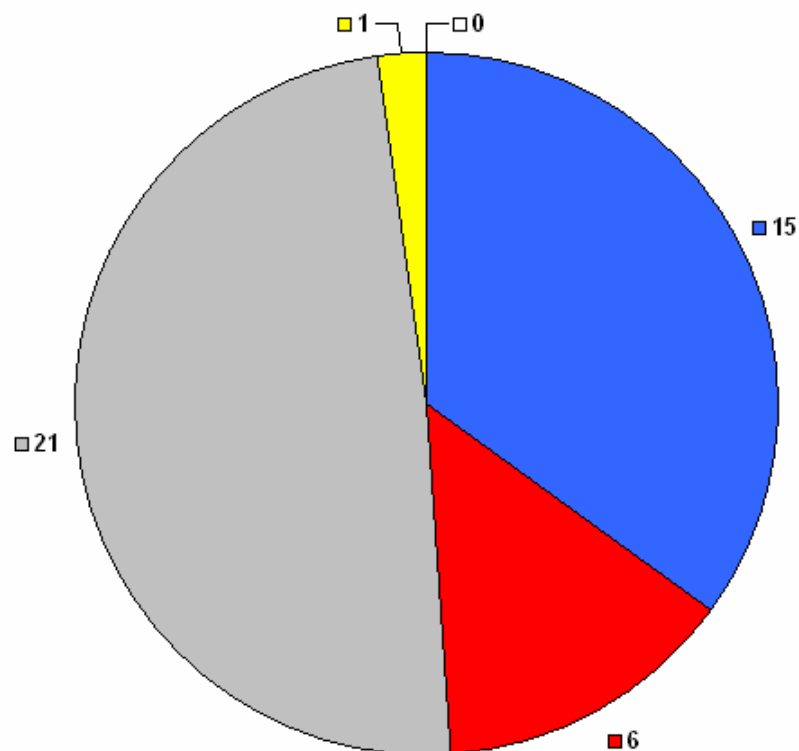
- Yes: TAG OGG BOG Fluxys RWE-T ENDK TIGF  
GRT Gas MOL SRG BGE GTS PTL  
PNG BGE (N IRL) SPP Geoplin Svenska Kraftnät (SO)  
Nova Naturgas (TO)
- No: Lietuvos Dujos AB GS  
Enagas NGT
- Not applicable: EGT EWE EVA EVG  
Bayerngas FN Saar GVS GdF-DT Danges Statoil  
Exxon Eni Gas Union MünsterBEB Wingas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

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<br>MOL SRG BGE PTL PNG BGE (N IRL) SPP<br>Geoplin   |
| ■ No:             | Fluxys Lietuvos Dujos AB<br>GS Enagas Svenska Kraftnät (SO)<br>Nova Naturgas (TO) NGT   |
| ■ Not applicable: | EGT EWE EVA EVG<br>Bayerngas FN Saar GVS GdF-DT Danges Statoil<br>Exxon Eni Gas Union MünsterBEB Wingas RWE<br>Ontras Hydro Latvijas Gaze |
| ■ Not known:      | GTS   |
| □ No response:    |   |

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

Disclaimer: Preliminary findings

# 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

---



## EREG 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<br>Transgas<br>NET | MOL | Snam<br>Rete Gas | GAZ-<br>SYSTEM | SPP -<br>preprava | Geoplin<br>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<br>Transgas<br>NET | MOL | Snam<br>Rete<br>Gas | GAZ-<br>SYSTEM | SPP -<br>preprava | Geoplin<br>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,<br>1Q.2007 | NO,<br>1Q.2007 | NO,<br>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<br>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? | <b>NO, 1Q.2007</b>             | <b>YES</b>                    | <b>YES</b>                    | <b>YES</b>   | <b>YES</b>          | <b>YES</b>                       | <b>YES</b>            | <b>no congestion existed</b> | <b>YES</b>        | <b>NO</b>   |
| Which capacity allocation mechanism does the TSO apply in case of physical congestion?                     | <b>pro rata, auction, fcfs</b> | <b>no physical congestion</b> | <b>no physical congestion</b> | <b>Merit order (long term-short term), Pro-rata (yearly, daily), daily capacities - FCFS</b> | <b>auction</b>      | <b>priority order + pro rata</b> | <b>pro rata</b>       | <b>pro rata</b>              | <b>pro rata</b>   | <b>n.a.</b> |
| 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?   | <b>YES</b>                     | <b>YES</b>                    | <b>YES</b>                    | <b>YES</b>   | <b>NO, 1.7.2007</b> | <b>YES</b>                       | <b>NO, 31.12.2007</b> | <b>NO</b>                    | <b>NO, 2007</b>   | <b>NO</b>   |

\*) 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    |

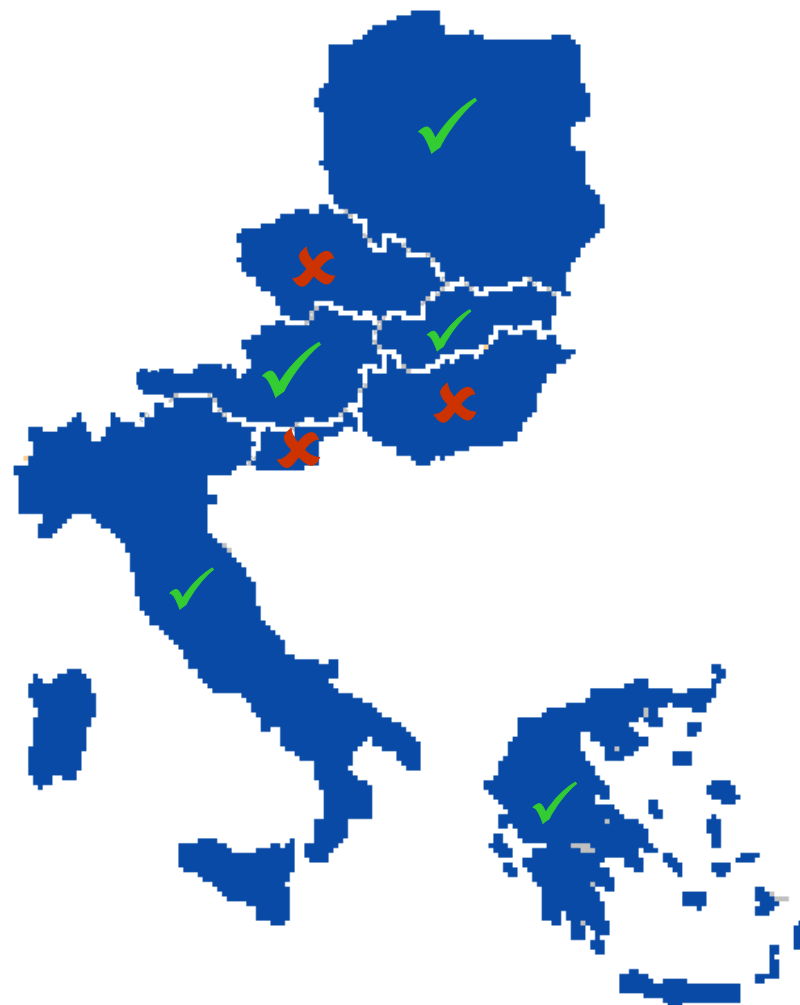
\*) data based on the results of a questionnaire sent to NRA; results preliminary

## 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