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European Federation of Energy Traders

Transparency Requirements Implementation

EFET Gas Committee

Jonas Törnquist

Jonas.Tornquist@edftrading.com



Why are we here?



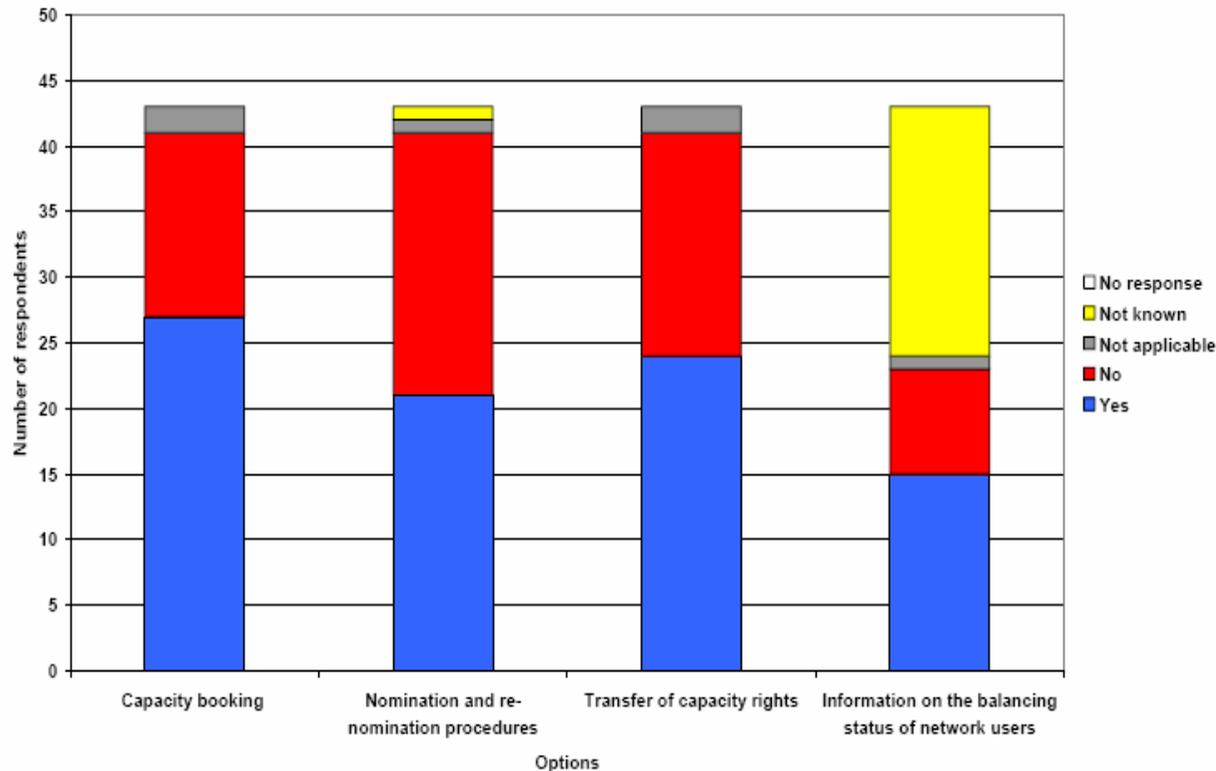
- § To see whether TSOs are meeting current legislative requirements that are severely deficient? OR trying to take real steps forward to improve transparency?

- § We have reviewed the ERGEG transparency monitoring report....a very thorough job BUT it does not tell a pretty story:
 - § Basic 'services' not being provided
 - § Significant non-implementation of existing requirements
 - § Inconsistent levels of transparency across TSOs
 - § Less than 3 a significant barrier

Services offered by TSOs



Does the TSO offer the following services online?



§ Some good examples of online 'click & book' systems...ease of process is crucial

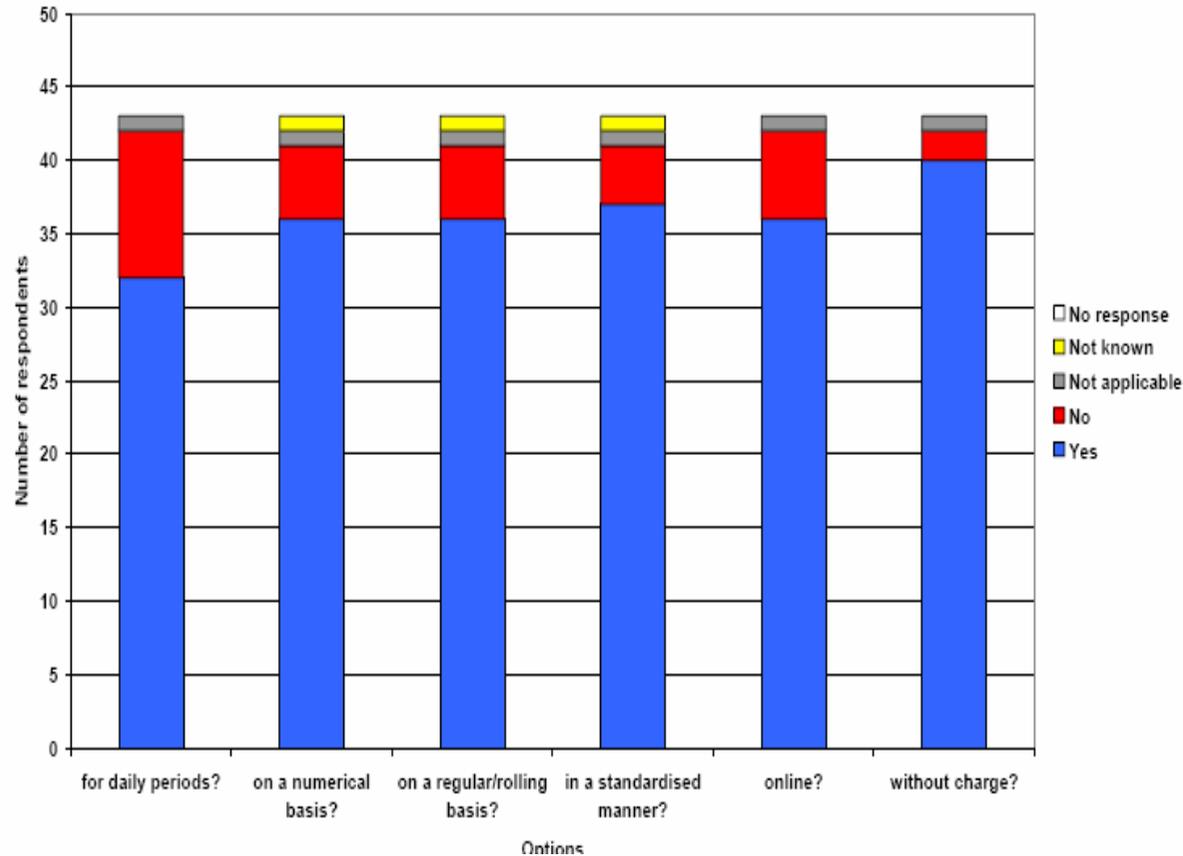
§ Provision of balancing information more important than how we receive it

These are not 'gold plated' services...failure to provide represents barriers to entry particularly for smaller players

Getting capacity



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



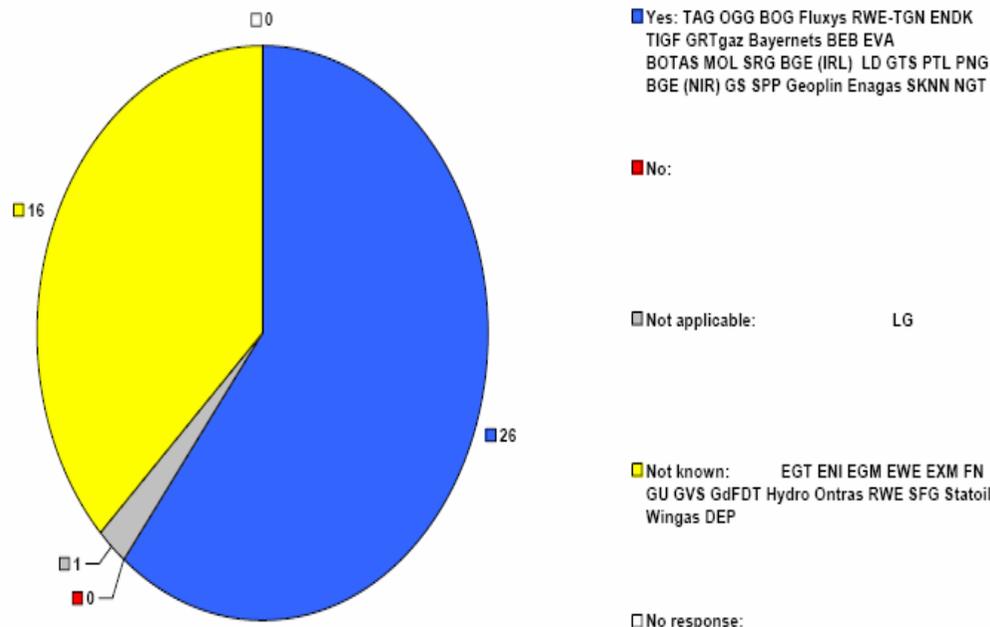
§ Not bad....BUT unfortunately the answer is often zero or very little capacity

§ We don't know if measured on the same basis – difficult to validate

We have capacity.....but



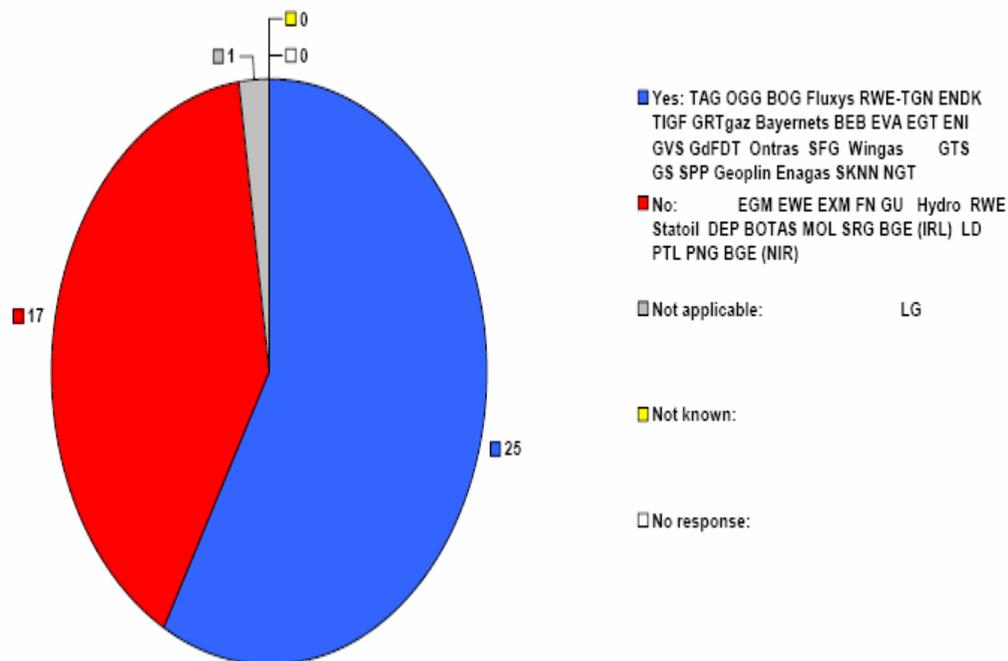
Are users notified of unplanned maintenance periods?



- § Market participants need to be notified as soon as practicable, i.e. no unreasonable delay
- § Notification must be proactive
- § It must be provided to all at the same time
- § We need to know why and estimate of how long to restore
- § We need regular updates
- § We need final confirmations

Very few TSOs deliver what is needed

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



§ Monthly data not useful....very few TSOs provide more frequent data

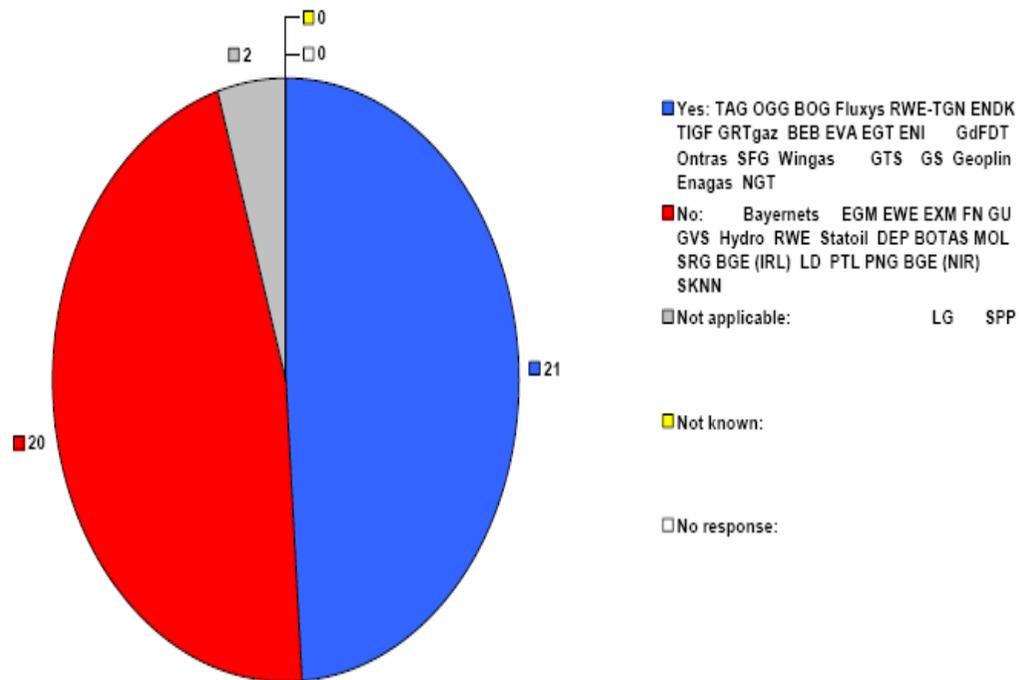
§ We could calculate if TSOs publish daily flow data

We don't know how capacity is being used

But....we don't have daily gas flow information



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



§ Annual flow data is not useful – at least daily is needed...BUT very few TSOs provide this

§ TSOs have this data readily to hand – easy to publish

There are a few good examples.....here is one

A step in the right direction



System Data

845,54
154 685

12.5 %
kWh

▶ Français

Home
Data
Analysis
Lexical

HOME

For the sake of transparency, GRTgaz offers web users access to the Key Figures of its natural gas transmission activity. These data are updated on a daily, weekly, monthly and annual basis and are regularly analysed by GRTgaz experts. They are available on-line in the "Analysis" area. Finally, an "Export" tool enables web users to download the data in Excel or Csv format.

GRTgaz is doing everything it can to ensure that the information available on its website is accurate and up-to-date. Therefore, GRTgaz reserves the right to modify the content of its website at any time without notice, especially the network Figures, thus keeping web users abreast of the best and freshest possible information. However, GRTgaz cannot guarantee that all data elements available on its website are accurate, up-to-the-moment or complete. The risks of use of one or more data elements of any kind whatsoever contained on GRTgaz's website shall lie solely with the web user.

Daily data	Weekly data	Monthly data	Yearly data	Analysis	Lexical
<ul style="list-style-type: none"> ▶ Consumptions ▶ Gas exchanges at PEG ▶ Contractual flows ▶ Prices 	<ul style="list-style-type: none"> ▶ Consumptions ▶ Gas exchanges at PEG ▶ Contractual flows ▶ Prices 	<ul style="list-style-type: none"> ▶ Consumptions ▶ Gas exchanges at PEG ▶ Contractual flows ▶ Prices 	<ul style="list-style-type: none"> ▶ Consumptions ▶ Gas exchanges at PEG ▶ Contractual flows ▶ Prices 	<ul style="list-style-type: none"> ▶ Analysis 	<ul style="list-style-type: none"> ▶ Lexical

Published data are available depending on the following table :

Data category	Detailed data	Every day M/D/Y you can consult :	Data availability	
			First publication	Last publication
Consumptions	Consumptions	Measured consumptions until the day (D-1) Forecast consumptions of the day (D) and (D+1)	measures : 01/01/2007 forecasts : 01/01/2007	measures : 05/05/2008 forecasts : 05/07/2008
	Effective temperatures	Effective temperatures until the day (D-1)	06/14/2007	05/06/2008
Gas exchanges at PEG	Exchanged quantities	Data until the day (D-1)	01/01/2007	05/05/2008
	Numbers of exchanges	Data until the day (D-1)		
Contractual flows	Flows on PIR	Flows until the day (D-1)	01/01/2007	05/05/2008
	Flows on PITTM	Flows until the day (D-1)	01/01/2007	05/05/2008
	Flows on Links	Flows until the day (D-1)	01/01/2007	05/05/2008
Prices	Reference prices	Data until the last day of month (M-1) if D >= 10 Data until the last day of month (M-2) otherwise	09/01/2007	04/30/2008
	Balancing GRTgaz prices	Data until the day (D-1)	04/12/2007	05/03/2008

Some TSOs are implementing improvements that are more in the spirit of the legislation

Beginning to meet market needs



[Daily data](#) [Weekly data](#) [Monthly data](#) [Yearly data](#)
[Consumptions](#) [Gas exchanges at PEG](#) **[Contractual flows](#)** [Prices](#)

Date of

CONTRACTUAL FLOWS (DAILY DATA)
may 6th 2007

■ **Flows on PIR**

Flows on PIR (kWh 25°C)	Dordogne	Hérault	Dunkerque	Obergailbach	Oltingue	Taisnières H	Taisnières L
05/06/2007	48 183 603	193 223 936	478 454 132	187 831 244	136 907 667	299 411 882	155 733 967

■ **Flows on PITTM**

Flows on PITTM (kWh 25°C)	Fos	Montoir
05/06/2007	194 025 135	158 321 963

■ **Flows on Links**

Flows on Links (kWh 25°C)	Way > 0			
	Nord -> Est	Nord -> Ouest	Est -> Sud	Ouest -> Sud
05/06/2007	234 121 116	114 296 519	179 112 032	55 138 533
	Way < 0			
	Est -> Nord	Ouest -> Nord	Sud -> Est	Sud -> Ouest
	-17 488 358	-42 691	-13 310 502	-1 498 666
Net flow				
Nord <-> Est	Nord <-> Ouest	Est <-> Sud	Ouest <-> Sud	
216 632 758	114 253 828	165 801 530	53 639 867	

■ **Flows on PITS**

Injection / withdrawal flows published by the French storage operator, Gaz de France (you are leaving GRTgaz's website) :

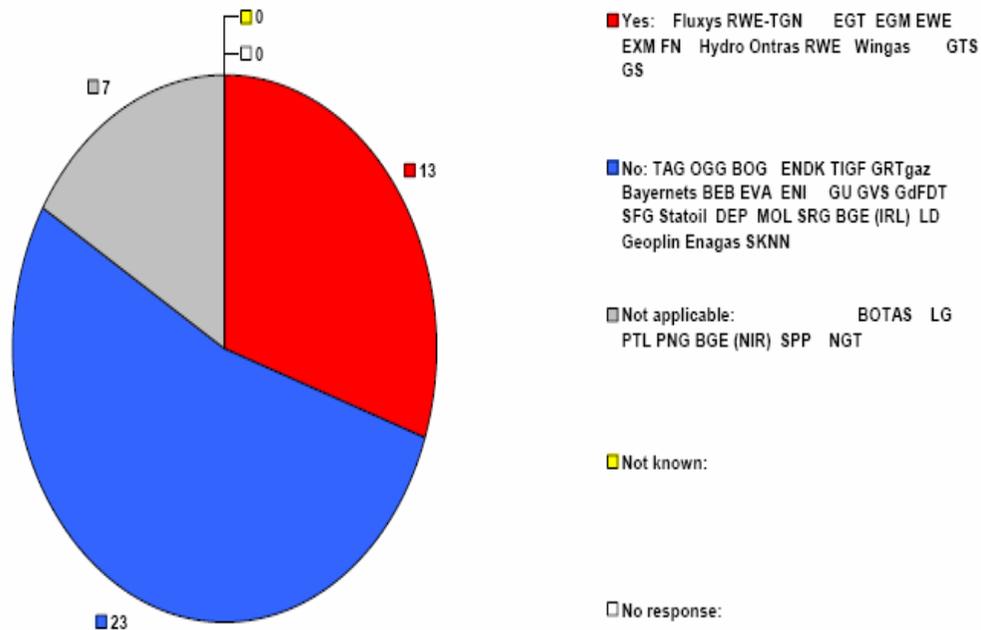
► [Click here to consult the flows published by the French storage operator, Gaz de France](#)

Publication of daily flow data is welcomed...other TSOs should follow suit

It gets worse....less than 3



Does the TSO limit publication of information on the capacity situation for certain points of his system due to the Application of the "3 minus shipper rule"
[see Art. 6.5 of the Regulation]



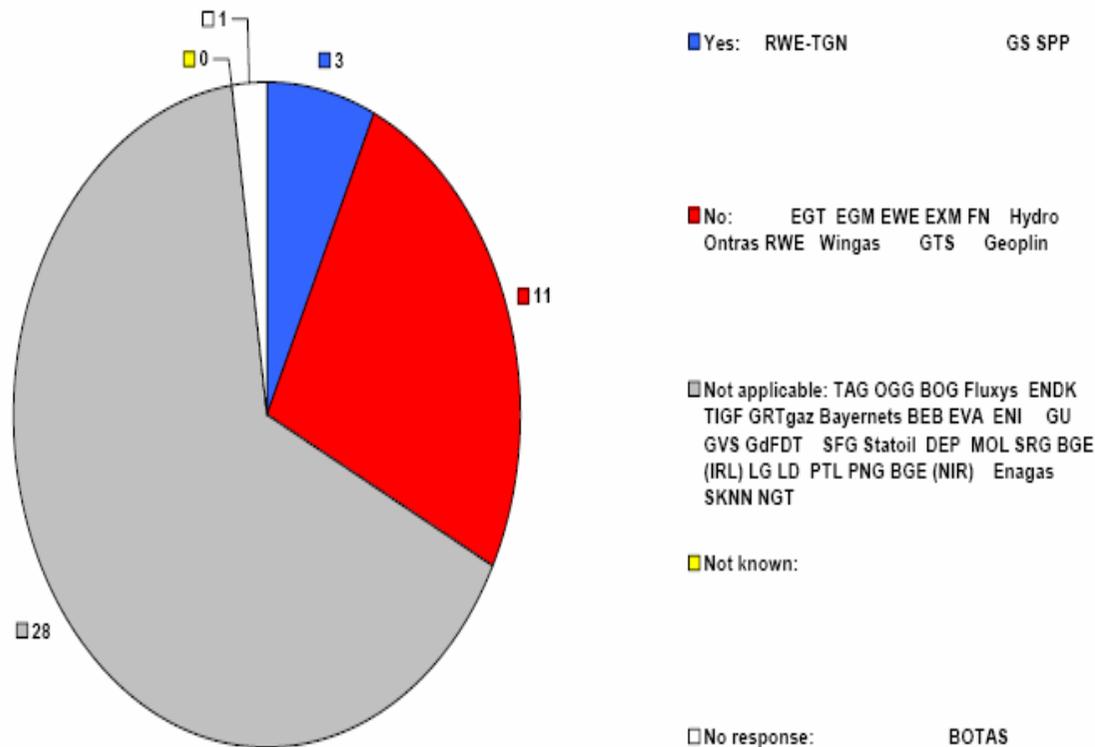
- § Are all requests justified?
- § Used by TSOs to block publication of all information on some points
- § No attempts to publish information in some other form
- § No similar 'protection' in the US!

A key barrier to transparency

Come on regulators...



If yes, has the exemption been authorized by the regulatory authority?



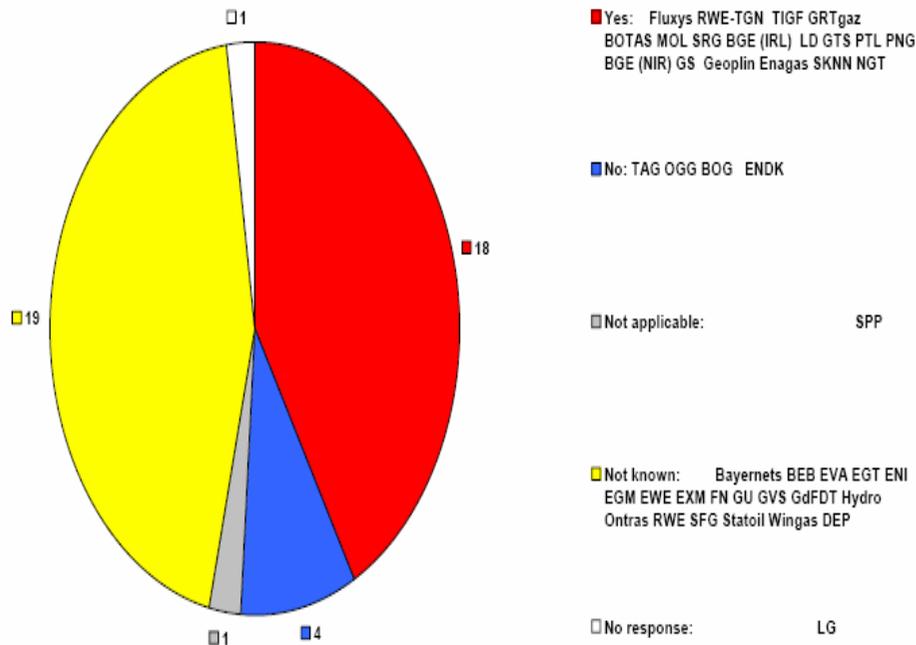
- § Quick decisions are necessary – not months delay
- § Consistent assessment with consultation
- § Presumption should be to publish
- § Mitigating solutions needed to ensure transparency not entirely blocked

We don't have any real good examples.....but there are ERGEG guidelines!

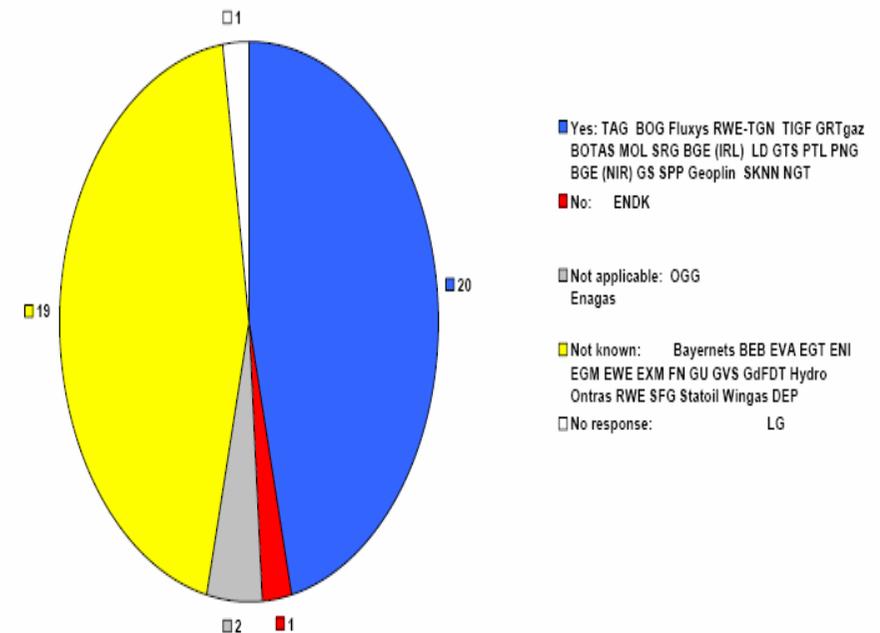
And even worse....as in addition to less than 3 we have



Are there any legal provisions prohibiting the publication of confidential information?



Are there any contractual provisions prohibiting the publication of confidential information?



More reasons not to publish information....but who has assessed whether they are valid?

Is it all doom and gloom?



- § No.....we are seeing the first green shoots of progress
- § Some TSOs beginning to respond to market's transparency needs
BUT these are mainly focused in North-West Europe (e.g. GTS, GRTgaz) – there must be a level playing field across EU for transparency
- § There is a long way to go in order to meet what the market needs and to bring EU up to US levels of transparency

Conclusions



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- § Monitoring is important BUT divorced from reality if requirements are severely deficient in the first place
- § 4 important steps needed now:
1. **Full ‘in spirit’ implementation of existing requirements** – at least gives us a baseline
 2. **TSOs to respond to market’s transparency needs** – all should bring forward action plans in consultation with market participants to improve transparency – the GRI could be the route to deliver
 3. **Commission to bring forward binding guidelines for immediate implementation** embodying market’s needs & international best practice to ensure high & consistent levels of transparency
 4. Stop using less than 3 as an excuse....but if you must, **all regulators must formally adopt existing ERGEG guidance** to improve process/speed/consistency of decisions