

24th Meeting of the European Gas Regulatory Forum

Madrid, 16th October 2013



European Federation of Energy Traders

Scope of Rules for Trading



- Focus on the commercial and operational responsibilities of ENTSOG and TSOs, in particular further **harmonisation of capacity contracts**
- **Avoid duplication of issues already covered**, e.g. by REMIT and other EU rules and regulations on trading

Rules for trading

First keep the promise made at Madrid 23



- Need for **full transparency of the differences in contractual terms and procedures** at IPs where bundled capacity products are proposed
- Specific differences that may need to be addressed include:
 - Definition of firm capacity and access from or to VTPs
 - Definition of FM and emergency provisions, if they affect firm capacity rights
 - Right to nominate/re-nominate use of capacity, timing & procedural issues
 - Assignment rights and processes
 - Credit arrangements
 - Impact of planned and unplanned maintenance on capacity rights
 - Dispute resolution procedures
 - Notifications, billing and payment
 - Any other rights or obligations between the capacity holder and the TSO that have a material impact on the value of capacity at IPs

Rules for trading

Recommended approach



- A thorough step-by-step **analysis of the differences in contractual terms** and TSO processes at each IP
- Then, an obligation on TSOs to **set out a timeline**, agreed with the regulators and market participants, for the elimination of those contractual or procedural differences that create inefficiencies or increase risks associated with gas trading or network access
- If resolved quickly, a Network Code should be unnecessary.
- In parallel give consideration to **Guidelines for Good Practice for Credit Arrangements** in relation to TSO Transportation and Balancing Services. This could be developed by CEER as a useful tool for improving consistency

Thanks for your attention



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