

## Licensing requirements for market participants other than TSOs

A1: Yes

1. Capacity products and terms and conditions of capacity contracts
2. Virtual trading point (VTP) design/access, and hub issues
3. Transparency rules

## Capacity products and terms and conditions of capacity products

A2: Yes.

The most important aspect of capacity products is the firmness, in order to assure that operations are made with the lowest possible risk. The tariffs are also of major relevance because the difference between interruptible and firm capacity tariffs can justify contracting the former, with the shippers accepting a reasonable risk.

A3: Due to the fact that power plants and storage users can have unexpected NG consumption and unexpected NG injection and extraction of storage, their specific requirements should be considered during the CAM procedures, under objective, transparent and non-discriminatory methodologies.

A4: No.

A5: Different capacity products may originate a barrier in cross-border trading. For example, different capacity products may have different restrictions, because there is no coordinated maintenance between TSOs. Bundled capacity may help to reduce the impact of maintenance restrictions, allowing for a better coordination between TSOs. The benefit of implementing these “standard capacity products” would largely outweigh the costs.

A6: We do not anticipate significant problems in capacity allocation, after CAM procedures are fully implemented. However in cross-border allocation mechanisms there must be a comprehensive regulatory harmonization beyond CAM or CMP, to prevent other type of limitations.

A7: If the contracts aren't totally harmonized in both sides of the border, there will always be barriers. The best way to achieve this harmonization would be through a single standard contract, assuring a single set of product characteristics (please refer to previous answer on the need for regulatory harmonization).

A7a: Yes. Again without transparent common contractual conditions, limitations to capacity trading would be able to develop, due to (supposedly) minor specific country requirements.

Since such single contractual conditions would prevent unnecessary legal disputes, their implementation costs (if any) would be outweighed by the resulting benefits.

A8: Yes. For example, a different temperature of reference between TSOs' areas creates an operational risk for the shippers. The harmonization of this condition would totally eliminate the risk. The need for a harmonized gas-day is also evident.

**A9:** Firm products with limited allocability/locational restrictions (ex-ante information on conditions of use).

**A10:** As previously referred, the power production market has specific needs to which within-day products might be of interest. In any case we do not see these as presenting potential barriers for trading operations.

**A11:** The capacity contracts on some TSOs have differences, for example, regarding the temperature of reference used on the programming/nomination platforms. Please refer to A8.

**A12:** We don't see others obstacles.

**A13:** a) Binding EU rules, established under and creating a transparent and non-discriminatory level playing field are preferable.

### **Secondary capacity markets**

**A14:** No. We agree with the comment of the Expert Group Meeting (RfT)

**A15:** It is our understanding that the secondary market already works, and there is no need for forcing its full anonymity.

**A16:** There is the need to assure that the secondary market allows shippers the broadest possible negotiation without entering in incompatibility with the primary market. In this sense, both primary and secondary market should have harmonized deadlines/contract durations.

**A17:** We don't have enough experience on secondary trading market to answer this question.

**A18:** It is necessary to unify the rules regardless of the used platforms, providing a more efficient system for the users. It should be guaranteed that a single platform would not create any type of restriction for specific products that are available in some countries.

**A19:** More transparency will be better for the market, but as it is now can maybe be enough.

**A20:** Binding EU rules, established under and creating a transparent and non-discriminatory level playing field are preferable.

### **Virtual trading point design/access and hub issues**

**A21:** It is necessary to assure that the hub operator operates totally independent from TSOs, traders and shippers.

**A22:** We don't have enough experience on secondary trading market to answer this question.

**A23:** Yes. Standardized formats will simplify information exchange and minimize risks associated with it.

**A24:** Defining simple and transparent access rules, unifying formats and platforms.

**A25:** Binding EU rules, established under and creating a transparent and non-discriminatory level playing field are preferable.

### **Transparency rules**

**A26:** Yes

**A27:** All conditions for the utilization of limited allocability capacity products should be known as early as possible, and as already mentioned, it's important to standardize these conditions with the objective of simplifying and increasing the transparency in all countries.

**A28:** Generally this information is not totally clear and doesn't have an easy interpretation. We suggest that a set of minimum obligations by TSOs is approved on EU level, with a proper monitoring.

**A29:** For example, in France the information is published, but sometimes with a very wide probability of interruption values.

For example, for the next day, in some points, the probability of the interruption can vary from 0% to 100%.

**A30:** Binding EU rules, established under and creating a transparent and non-discriminatory level playing field are preferable.

### **Licensing requirements for market participants other than TSOs**

**A31:** No, but the licensing requirements harmonization would be a good step to have equal opportunities in the EU.

**A32:** Binding EU rules, established under and creating a transparent and non-discriminatory level playing field are preferable.