

ACER public consultation on draft framework guidelines on interoperability rules and data exchange for the European gas transmission networks

EDF Response

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Who we are

Name	Nabil Mezlef
Company	EDF SA
Address	22-30 avenue de Wagram, 75382 Paris Cedex 08
Contact email	edfregulation@edf.fr
Phone	+ 33 1 40 42 30 84
Country	France

Introduction

EDF welcomes this ACER public consultation on draft framework guidelines on interoperability rules and data exchange for the European gas transmission networks. It is indeed a very important topic for the completion of the European internal gas market, in particular in order to foster cross-border trade. In this respect, EDF considers that setting, at least common principles, for each issue developed in these Framework Guidelines, is very important.

1. Scope and application, implementation (Chapter 1 of the Framework Guidelines (the 'FG'))

1.1. Do you consider that the FG on interoperability and data exchange rules should harmonise these rules at EU level, as follows:

- a) At interconnection points only?
- b) Including interconnection points and where appropriate points connecting TSOs' systems to the ones of DSOs, SSOs and LSOs (to the extent cross-border trade is involved or market integration is at stake)?**
- c) Other option? Please explain in detail and reason.
- d) I don't know.

1.2. Do you consider that for any of the above options the level of harmonisation shall be (Section 1.b of the FG):

a. Full harmonisation: the same measure applies across the EU borders, defined in the network code?

b. Harmonisation with built-in contingency: same principles/criteria are set with a possibility to deviate under justified circumstances?

c. No additional harmonisation, meaning rules are set at national level, if they deemed necessary by the national authorities, which may include either NRAs or the government?

1.3. Shall any of the issues raised in the FG (Interconnection Agreement, Harmonisation of units, Gas Quality, Odourisation, Data exchange, Capacity calculation) get a different scope from the general scope as proposed in section 1.b. of the FG (and as addressed in the previous question)? Please answer by filling in the following table, ticking the box corresponding to the relevant foreseen scope.

	<i>IAs</i>	<i>Units</i>	<i>Gas Quality</i>	<i>Odourisation</i>	<i>Data Exchange</i>	<i>Capacity Calculation</i>
<i>Full Harmonisation</i>		X	X	X	X	
<i>Partial Harmonisation</i>	X					X
<i>Business as usual</i>						

Regarding interoperability, EDF considers that greater harmonization is important since it deals with issues that are very important for cross-border trade. As stated before, if at least common principles are necessary, on some aspects, full harmonization does not seem neither desirable nor possible when dealing with the technical details.

1.4. What additional measures could you envisage to improve the implementation of the network code? Please reason your answer.

EDF does not see any other measure.

2. Interconnection Agreements

2.1. Do you think that a common template and a standard Interconnection Agreement will efficiently solve the interoperability problems regarding Interconnection Agreements and/or improve their development and implementation?

a. Yes.

b. No.

c. I don't know.

d. Would you propose additional measures as to those proposed? Please reason your answer.

e. Would you propose different measures as to those proposed? Please reason your answer.

EDF considers that further discussion is needed regarding the minimum content of the common template. For example, responsibilities regarding meter reading at interconnection points could always be included.

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22/30 Avenue de Wagram

75382 PARIS cedex 08

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2.2. Do you think that a dispute settlement procedure as laid down in the text will efficiently contribute to solving the interoperability problems of network users regarding Interconnection Agreements and their content?

- a. **Yes.**
- b. No.
- c. I don't know.
- d. Would you propose additional measures as to those proposed? Please reason your answer.
- e. Would you propose different measures as to those proposed? Please reason your answer.

In this case, a dispute settlement procedure seems very important. In order to be effective, it will be very important to specify (in the Framework Guidelines or in the Network Code) after which delay ACER takes over the case and how much time it has to "*take necessary measures*".

2.3. Do you think that a stronger NRA involvement in the approval of the Interconnection Agreements could be beneficial? Please explain in detail and reason.

- a. **Yes.**
- b. No.
- c. I don't know.

EDF considers that a stronger NRA involvement in the approval on the Interconnection Agreements would be very beneficial. At least, NRAs should be entitled to control the use and application of the common template and to question TSOs when not using it.

3. Harmonisation of Units

3.1. Do you think that there is a need for harmonisation of units?

- a. **Yes.**
- b. No, conversion is sufficient in all cases.
- c. I don't know.
- d. Would you propose additional measures as to those proposed? Please reason your answer.
- e. Would you propose different measures as to those proposed? Please reason your answer.

3.2. What is the value added of harmonising units for energy, pressure, volume and gross calorific value?

- a. Easier technical communication among TSOs.
- b. Easier commercial communication between TSOs and network users.
- c. **Both.**
- d. No value added.
- e. I don't know.
- f. Other views. Please reason your answer.

Harmonising units is also valuable when comparing capacity costs on different gas routes.

3.3. Shall harmonisation be extended to other units? Please reason your answer.

For the time being, EDF does not see any other unit which needs harmonisation.

4. Gas Quality

4.1. Please provide your assessment on the present proposal; in particular assess the provisions on ENTSOG gas quality monitoring, dispute settlement and TSO cooperation. Would these measures address sufficiently the issues that are at stake? Please reason your answer.

EDF did not experience so far major issues associated with the management of gas quality. However, considering the likely evolution of gas supplies to Europe in the mid- to long-term, managing gas quality may require more active measures. Such measures should be designed and implemented so as to strike a balance between: on the one hand, enabling investment in gas conversion facilities or in the evolution of a network's technical specifications, where and when needed; and on the other hand, not distorting competition between gas supply sources and incentives to develop gas assets. Overall, this shall deliver the least cost solution to gas consumers. EDF believes that the most effective approach would be to make the receiving TSO responsible for the conversion (including any investment required) and to recover the associated costs from all users of the national transmission system (crucially avoiding specific charges at interconnectors which may distort cross-border trading).

In this respect, EDF welcomes the FG proposals that will allow for more transparency and cooperation from TSOs in order to find out technically feasible and financially reasonable solutions to handle gas quality.

Regarding cost allocation, if the Network Code had to deal with this issue and to introduce default rules, it would be very important to make sure that non-polluting shippers of interconnectors are not subject to charges.

At last, regarding dispute settlement, EDF supports the proposals but believes that relevant stakeholders at both sides of the IP should be consulted by NRAs and ACER when making decisions on this subject.

4.2. Do you consider that a technically viable solution to gas quality issues that is financially reasonable will most likely result from:

- a. Bilateral solution between concerned stakeholders.
- b. Solutions to be developed cross-border by TSOs, to be approved by NRAs and cost-sharing mechanism to be established.**
- c. The establishment of a general measure in the Framework Guidelines, setting a comprehensive list of technical solutions to select from.
- d. I don't know.
- e. Other option. Please reason your answer.

5. Odourisation

5.1. Please provide your assessment on the present proposal. Would the measure proposed address sufficiently the issues that are at stake? Please reason your answer.

Considering that odourisation is first of all a local problem, EDF agrees with the framework guidelines' proposal that gives priority to bilateral agreements during an interim period of 36 months.

6. Data exchange

6.1. Please provide your assessment on the present proposal. Would the measures proposed address sufficiently the issues that are at stake? Please reason your answer.

EDF supports the Framework Guidelines' proposal to extend the implementation of standard communication procedures to all communication areas among TSOs and with counterparties. Likewise, the definition of a common, standardised messaging protocol and the respective technical standards, selected after a cost-benefit analysis, appear also to be an interesting step forward.

6.2. Regarding the content of this chapter,

- a. Data exchange shall be limited to the communication format.
- b. Data exchange shall define both format and content, at least regarding the following points: _____ . Please reason your answer.**
- c. I don't know.
- d. Other option. Please reason your answer.

7. Capacity calculation - The Agency view is that discrepancy between the maximum capacities on either side of an interconnection point, as well as any unused potential to maximise capacity offered may cause barriers to trade.

7.1. Please provide your assessment on the present proposal. Would the measures proposed address the issues that are at stake?

EDF considers that discrepancy between the maximum capacities on either side of an IP is indeed a problem and that the capacity offered to the market should be maximised. In this respect, higher cooperation and transparency from TSOs when calculating capacity is a real improvement. However, this could be insufficient to reduce discrepancies and having closer methodologies at both side of the IP could be studied.

7.2. Would you propose additional measures as to those proposed? Please reason your answer.

See previous answer.

7.3. Would you propose different measures as to those proposed? Please reason your answer.

See previous answer.

8. Cross-border cooperation

8.1. Please provide your assessment on the present proposal.

Regular review by ENTSOG of the best practices of cooperation between TSOs in order to achieve greater integration of European gas markets by harmonizing the market rules whenever needed and as soon as possible is indeed very important. In this sense, it could be useful if ACER had the ability to follow and monitor ENTSOG's work on this issue.

8.2. Do you have any other suggestions concerning cross-border cooperation? Please reason your answer.

9. Please share below any further comments concerning the Framework Guideline on Interoperability and Data Exchange Rules.

EDF does not have any other comment.

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