1

16 March 2012

**PC-07- PUBLIC CONSULTATION ON DRAFT FRAMEWORK GUIDELINES**

**ON INTEROPERABILITY RULES AND DATA EXCHANGE FOR THE EUROPEAN GAS
TRANSMISSION NETWORKS**

**QUESTIONNAIRE**

**Please provide the Agency with your full contact details, allowing us to revert to you with specific questions concerning your answers.**

*Name: Daniel HEC*

*Position held: Secretary General*

*Phone number and e-mail: +32 2 237 11 35; daniel.hec@marcogaz.org*

*Name and address of the company you represent: MARCOGAZ, Avenue Palmerston 4, B-1000 Brussels*

**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:

1. At interconnection points only?
2. 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)?
3. Other option? Please explain in detail and reason.
4. I don’t know.

In general, Framework Guidelines should aim at harmonising interoperability and data exchange rules at interconnection points.

1.2. Do you consider that for any of the above options the level of harmonisation1 shall be

(Section 1.b of the FG):

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

1 Harmonisation is used in the meaning of replacing two or more legal systems with one single system.

2

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

1. 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?

Full harmonisation should be the target although some interim steps to take into account specific technical issues will need to be set.

1.3. Shall any of the issues raised in the FG (Interconnection Agreement, Harmonisation of

units, Gas Quality, Odorisation, 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.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | IAs | Units | Gas Quality | Odorisation | Data Exchange | Capacity Calculation |
| Full harmonization |  | X | X (goal) |  |  |  |
| Partialharmonization |  |  | X |  |  |  |
| Business as usual |  |  |  | X |  |  |

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

**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?

1. Yes.
2. No.
3. I don’t know.
4. Would you propose additional measures as to those proposed? Please reason your answer.
5. Would you propose different measures as to those proposed? Please reason your answer.

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?

3

1. Yes.
2. No.
3. I don’t know.
4. Would you propose additional measures as to those proposed? Please reason your answer.
5. Would you propose different measures as to those proposed? Please reason your answer.

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.

1. Yes.
2. No.
3. I don’t know.

**3. Harmonisation of Units**

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

1. Yes.
2. No, conversion is sufficient in all cases.
3. I don’t know.
4. Would you propose additional measures as to those proposed? Please reason your answer.
5. Would you propose different measures as to those proposed? Please reason your answer.

YES, there is a clear need for using the units already commonly used along the gas chain by most of the actors at international level (ISO standards to be preferred). This is also in line with WTO agreements.

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

calorific value?

1. Easier technical communication among TSOs.
2. Easier commercial communication between TSOs and network users.
3. Both.
4. No value added.
5. I don’t know.
6. Other views. Please reason your answer.

Easier communication between all actors: TSOs, TSOs and network users, DSOs…Avoid calculation mistakes and misunderstanding between stakeholders.

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

No, the current set of units adequately covers the different needs.

4

**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.

Harmonisation of gas quality, in line with the DG ENER "Gas quality roadmap" as welcomed during the last Madrid Forum, should be sought.

In the meantime, it shall be of the responsibility of the TSOs and NRAs to find adequate solutions when discrepancies are identified at an IP. Tools for handling different gas quality and cost allocation and recovery mechanisms shall be established.

4.2. Do you consider that a technically viable solution to gas quality issues that is financially

reasonable will most likely result from:

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

Solution a. (bilateral solution) should be preferred, then b (developed by cross border TSOs, approved by NRA including cost sharing mechanism) and c (general measure). A case by case approach is most likely to provide the best answers and sharing the solutions developed at EU scale is very important.

The harmonization of gas quality between TSO and DSO should follow directly the cross border harmonization. It is essential for the TSO not to be obliged to accept gas that cannot be delivered to the local distribution and then to the consumers.

Additionally it is important that the formulation in the network codes does not open up for the possibility to move gas quality challenges from one system to another. An example could be off-specification gas in offshore systems. The implementation of FG should preferably define who has the responsibility for gas quality

**5. Odorisation**

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.

Odorisation, defined by national rules, is a major issue for the safety of the gas system and the consumers. For cross border trade, it should be considered as a sub-issue of gas quality. In general odorisation should be considered as not needing other harmonisation rules other than those covering gas quality.

For the time being, non-odorised gas by default at European level is not feasible because there are still Member States that centrally odorise natural gas in the transmission grids. Developing other odorisation solutions is a lengthy process as systems operated with odorised gas may continue to present significant amount of odorant several years after injection of odorant in transmission systems or gas storages.

NRAs would need to judge which IPs require a solution and should then explore options together with the TSOs and the relevant Member State Authorities. The final decision shall be accompanied by an adequate cost allocation and recovery mechanism.

Deodorisation at IP to avoid the transmission of odorised gas raises several issues:

- There is huge uncertainty related to both CAPEX and OPEX of the deodorisation facilities and the cost of changing the odorisation practices. If de-odorisation was required, it would be necessary to carry out a cost benefit analysis, in particular to determine which end users would be affected and where it would be more effective to deodorise the gas.

- If a default rule at European level is established, cross-border trade between countries which currently exchange odorised gas shall not be hampered.

- Currently, there is no proven, cost-effective technology to deodorise completely the gas at cross-border interconnection points. Therefore, the default rule shall not be approved while there is not any evidence of it.

**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.

6.2. Regarding the content of this chapter,

1. Data exchange shall be limited to the communication format.
2. Data exchange shall define both format and content, at least regarding the following

points: . Please reason your answer.

1. I don’t know.
2. Other option. Please reason your answer.

6.3. ENTSOG may support the exchange of data with a handbook of voluntary rules. Please

share your views about such a solution.

5

1. **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?

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

answer.

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

answer.

1. **Cross-border cooperation**

8.1. Please provide your assessment on the present proposal.

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

reason your answer.

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

Thank you very much for your contribution.

**Agency for the Cooperation of Energy Regulators**