

CAM Auctioning & Bundling pilot GTS / Gasunie Deutschland

GRI NW Stakeholder Meeting

23 November 2012



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Background - European and national codes

Europe (CAM)

- EU adoption of CAM NC Q3 2013
- Auctioning of bundled cross border capacity

Germany (KARLA)

- KARLA: in force from February 2011
- Capacity auction of all TSOs on one platform (TRAC-X)

The Netherlands (Ministerial decree)

- In force as of July 2011
- Reservation of capacity for short term contracts
- Auctioning partly obligatory

Background - TTF, GasPool, internal market

Increase attractiveness of gas roundabout & hubs

- Improve interconnection between the hubs
- Increase tradability and liquidity

First steps towards EU wide CAM, CMP

- Learning experience for GTS
 - bundling & auctioning
 - operation via external platform
- First time crossing international borders

GTS and GUD started auctioning service

- As of 22 May 2012
- Day-ahead, bundled, bi-directional firm capacity
- Cooperation of GTS and GU Deutschland
- Additional firm capacity, on top of regular

National codes & EU codes the process adopted

NL codes	in place	FCFS
NL 2 nd law	not active	Auction
EU codes	not yet	Auction, bundle

For the pilot a temporary solution was required to overcome contradictory legislation

GTS, NMa & MEA cooperate in the project

GTS requested for temporary exemption of NL codes

NMa adopted consultation process for market parties

Exemption letter published by NMa, March 2012

Exemption letter to be extended for further auctioning at IP's, in advance of CAM coming into force

Service description

TSOs	GTS & Gasunie Deutschland
Network points	Oude Statenzijl H-gas exit & entry, bi-directional
Products	Firm day-ahead bundled capacity
Platform	TRAC-X Primary
Capacity allocation	According to KARLA
Available capacity	Estimated day ahead, on top of technical Based on mutually agreed mechanisms 50.000 – 100.000 m ³ /h
Auction window	Bid(s) offered between 3.30 until 4.30 p.m. (LET)
Auction frequency	Each working day for the following day
Clearing price	Sum of reserve price and clearing bid price

TSO cooperation, agreement

GTS and Gasunie concluded an agreement on

1. Day ahead additional capacity on top of technical
2. Distribution of revenues from auction premiums
3. Information exchange operational and contractual level
4. Weekends and holiday auctioning

Tariffs, reserve prices, bundling

	Start	Jan 2013
GTS	Regulated	Regulated*)
GUD	Zero	Regulated

*)GTS regulated tariff with monthly & daily factor (1/20th)

GUD regulated tariff, 1/365

Shipper & booking analysis

~ 50 Shippers registered at TRAC-X / Oude Statenzijl

10 Shippers actively booking

Booking period 23 May – 1 November, 163 days

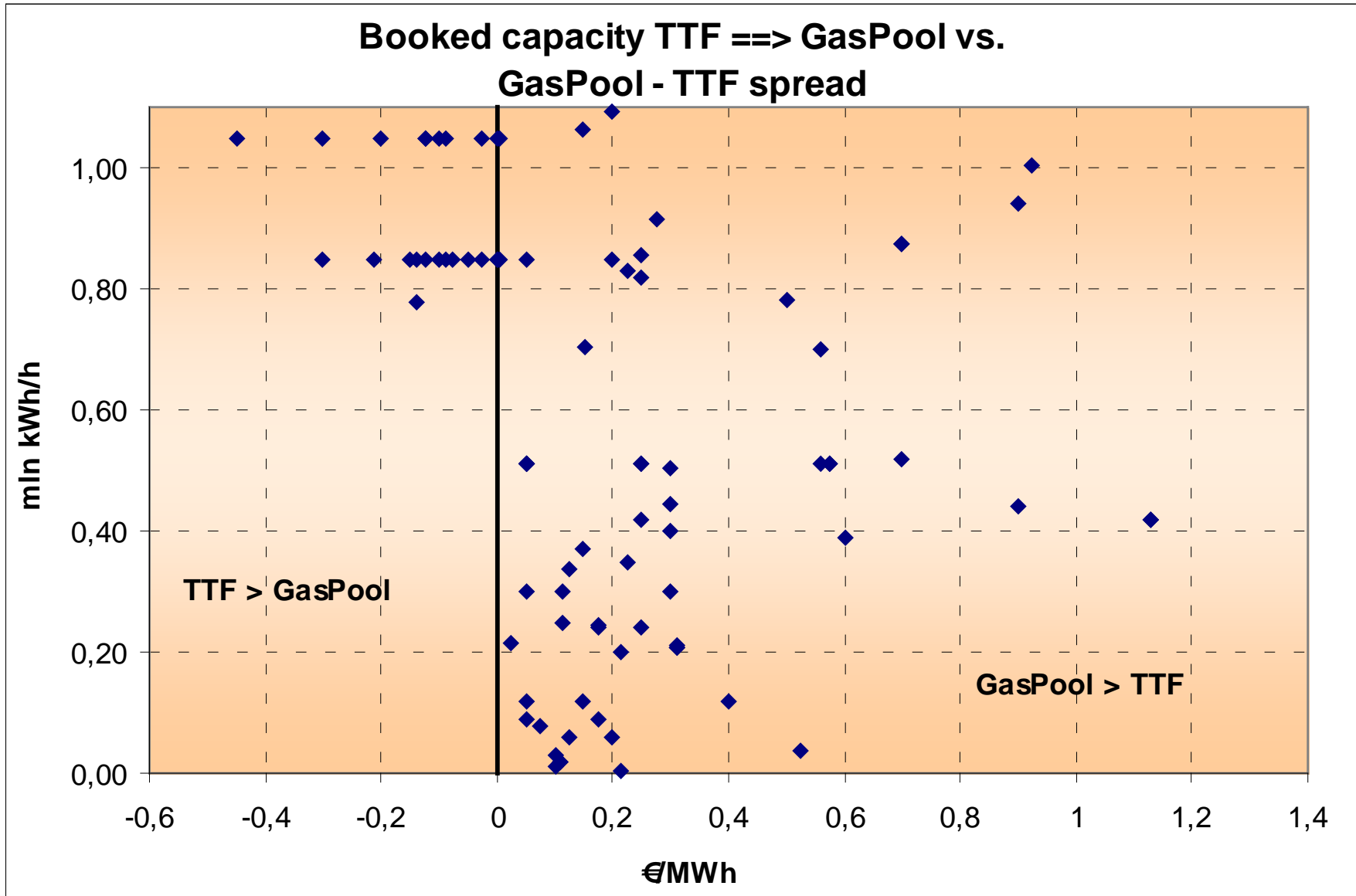
Number of bookings 154, realized on 85 days

151 bookings were TTF → GasPool

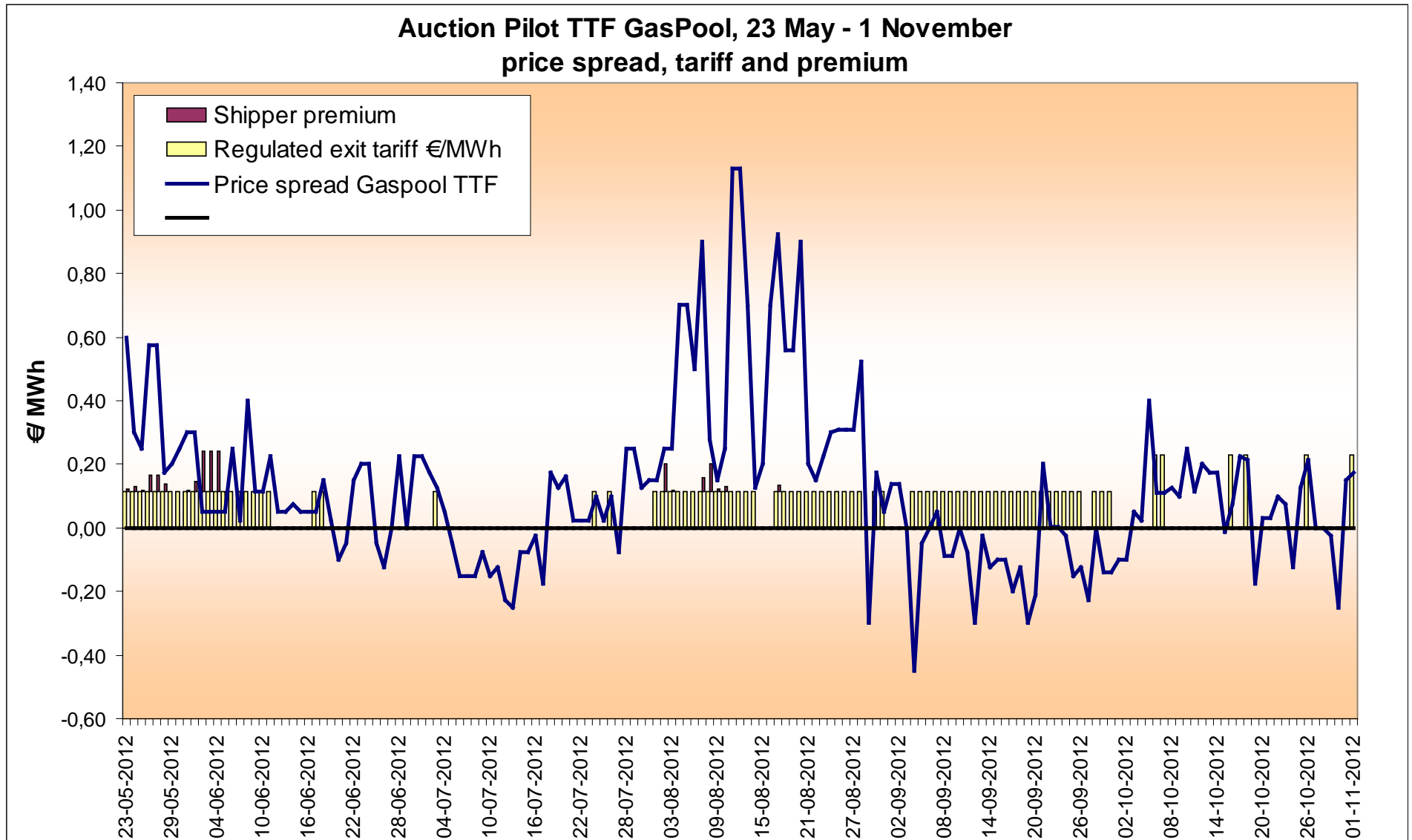
71% bookings in line with spread GasPool – TTF

Day ahead capacity up to 20% of totally booked capacity

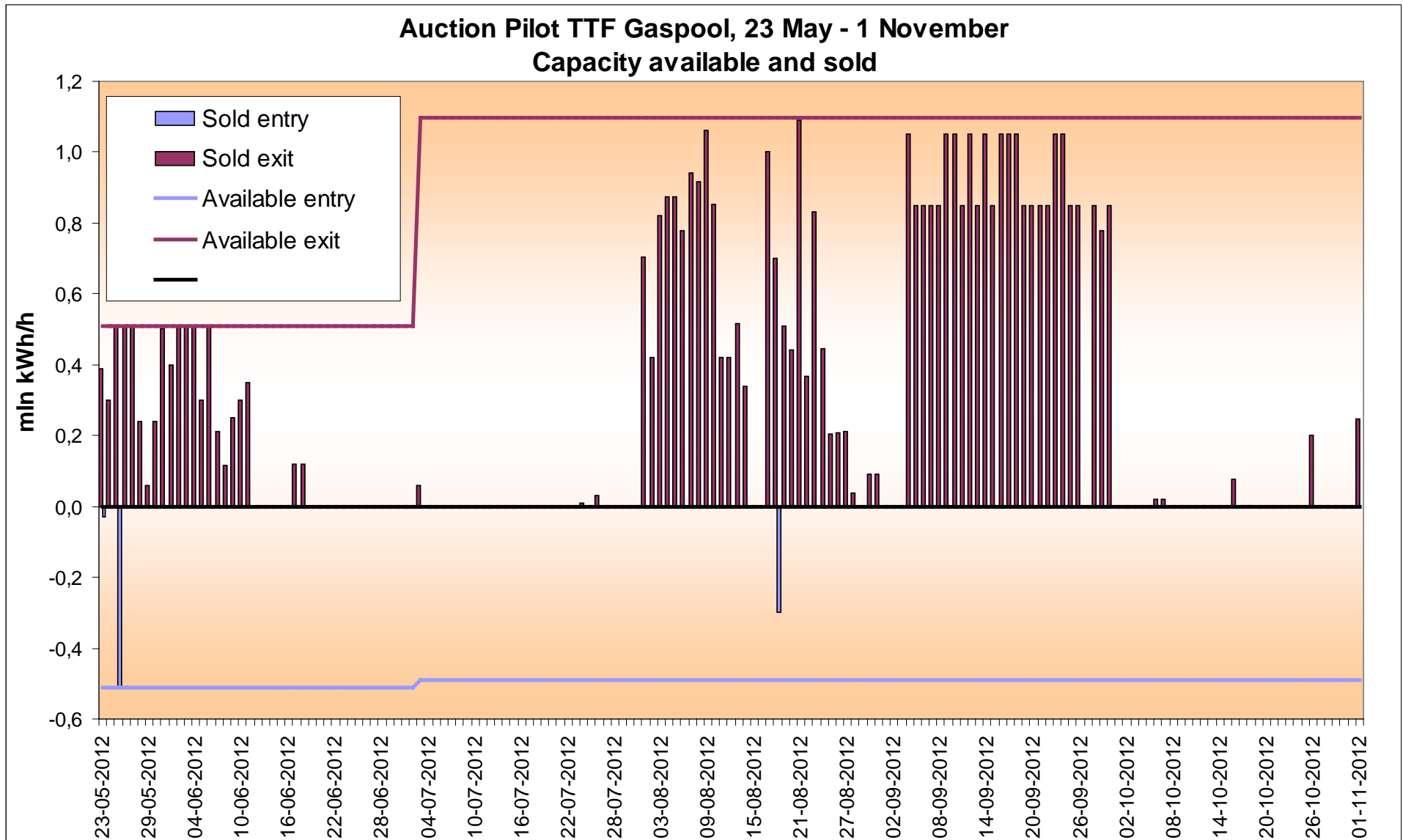
Shipper & booking analysis



Price spread & tariff analysis

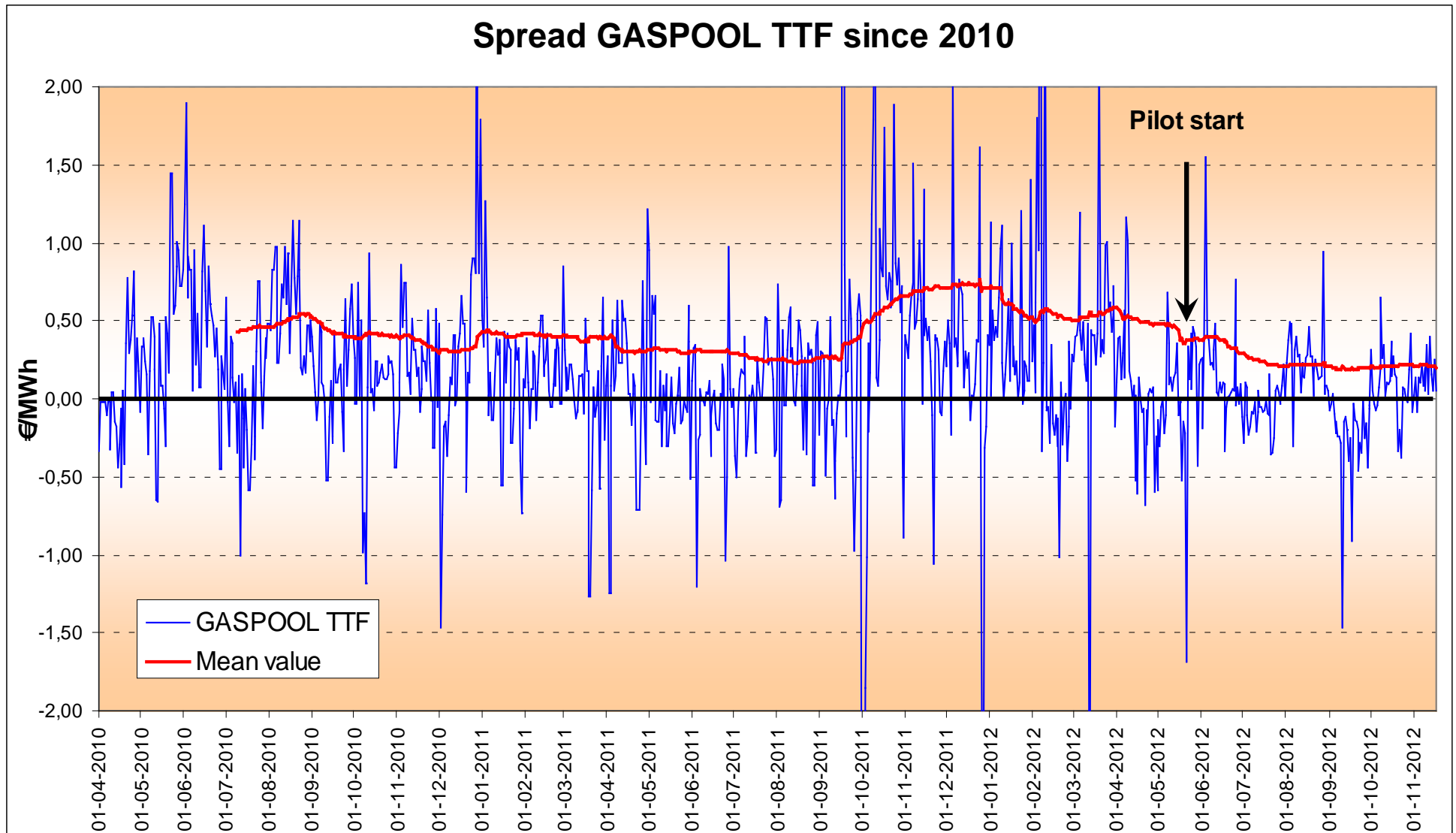


Available and sold capacities



GASPOOL TTF spread since 2010

Spread GASPOOL TTF since 2010



European Capacity Platform: follow up regarding early implementation of CAM/CMP

- As of 1 April 2013 the NewCo / CAM platform will be operational. Border capacity can then be bundled and auctioned on an annual, quarterly, monthly and daily basis according to CAM NC
- In accordance with this platform scheme, GTS and neighbouring TSOs plan to start auctioning bundled border capacities on a daily basis at some relevant border points.
- GTS foresees functionality to be comparable with the bundled daily auction already in place at GTS/GUD border point Oude Statenzijl/Bunde.
- Auctioning & bundling will then be according to CAM in stead of KARLA (different timing, optimised algorithm).

Future outlook of explicit market coupling

