Gas Natural Fenosa comments to the public consultation on the South Gas regional Initiative Work Plan 2015-2016

Gas Natural Fenosa welcomes the opportunity to contribute to the public consultation on SGRI work plan 2015-2016 and to express its support for the Initiative.

Below you can find some comments regarding interoperability and data exchange.

Interoperability and data exchange

The SGRI work Plan under consultation includes the following action:

> *Definition of specific actions and measures to be taken in coordination with NRAs, TSOs and stakeholders in the Region, on the harmonisation of the gas day, nomination and renomination procedures, data exchange and combustion reference temperature as the priorities by 1st November 2015.*

The Interoperability Network Code published by ENTSO-G establishes the following requirements:

Article 13

> *[…] The reference conditions for volume shall be 0°C and 1.01325 bar(a). For GCV, energy and Wobbe-index the default combustion reference temperature shall be 25°C.*

Article 14

> *Additional units*
>
> *The communicating parties may agree to use, besides the common set of units, additional units or reference conditions for data exchange or data publication. In this case any conversion between reference conditions shall be done on the basis of the actual gas composition, provided that if the relevant gas composition data is not available, the conversion factors used shall be consistent with the procedures described in the latest version of EN ISO 13443 "Natural Gas – Standard reference conditions".*

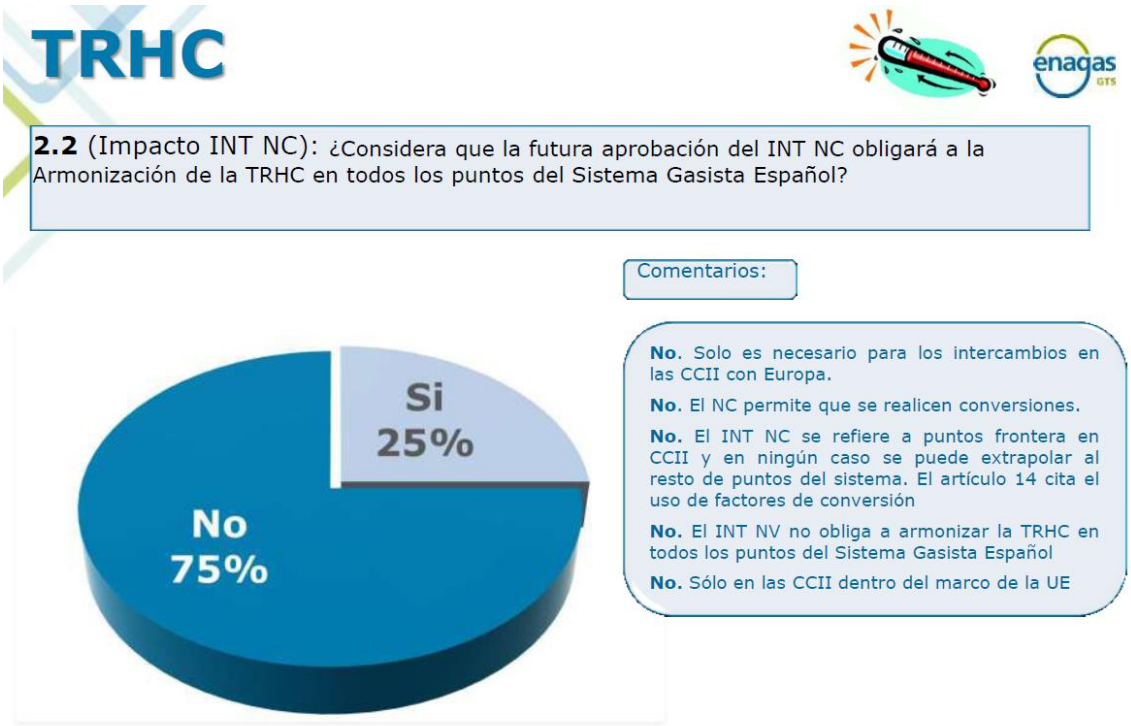
Therefore, according to our understanding, the current network codes do not require a harmonization of the combustion reference temperature:

- **Interoperability Network Code**: Article 14 specifies that alternative reference conditions can be used provided that conversion factors are used accordingly.
  In other words, no gas exchange between quantities expressed in different reference conditions would be done without the use of the relevant conversion factors to homogenize the exchanged quantities.
- **Network Code on Capacity allocation Mechanisms**: It does not require a harmonization of the combustion reference temperature.
  The document "*Coordinated Implementation of the Network Code on Capacity Allocation Mechanims*", published on February 2014 and developed jointly by ENAGAS and TIGF to allocate the capacity between France and Spain, includes a chapter 3.6

"Units and reference conditions" in which an auction procedure is established with different reference temperatures and with the corresponding conversion factors.

- **Balancing Network Code:** It does not require a harmonization of the combustion reference temperature

This issue has already been raised at national level in Spain during the discussions of the network code and most of the players consider that it is not necessary to change the reference temperature.



To change the combustion reference temperature can have economic consequences for suppliers because the reference temperature cannot be easily changed in their long term supply contracts. Therefore, we ask the National Regulatory Authorities not to include it in the work programme of the SGRI.