

Network Codes Implementation Greece

Regulatory Authority for Energy

**Gas Regional Initiatives –SSE
6 & 7 May 2019**

Major Recent Developments

- RAE approved the 4th amendment of the Natural Gas Network Code introducing provisions for implementing NC on BAL and CAM, entered into force in July 2018
- The Hellenic Energy Exchange (HEnEx) established in June 2018 to operate the electricity spot markets, according to article 19 of 4425/2016 Greek Law, may manage the Natural Gas Markets. Approval by RAE for the operation of the NG Markets, including a Balancing Market is required.

NC on Balancing – EU 2014/312

Nominations and Renominations

- LNG terminal entry (Agia Triada): One daily nomination and up to thirteen daily renominations (11 day-ahead & 2 intra-day) (4th NC amendment)
- All other entries and exits: One daily nomination and up to thirty-five daily renominations (13 day-ahead & 22 intra-day) (3rd NC amendment)
- Even from the 3rd amendment of the NC (1.6.2017) Users were able to submit non balanced nominations and renominations

Imbalance tolerance level

As of 1.1.2019 the imbalance tolerance level is set to 0

NC on Balancing – EU 2014/312

Balancing Platform (operated by the TSO, designed with Athens Exchange)

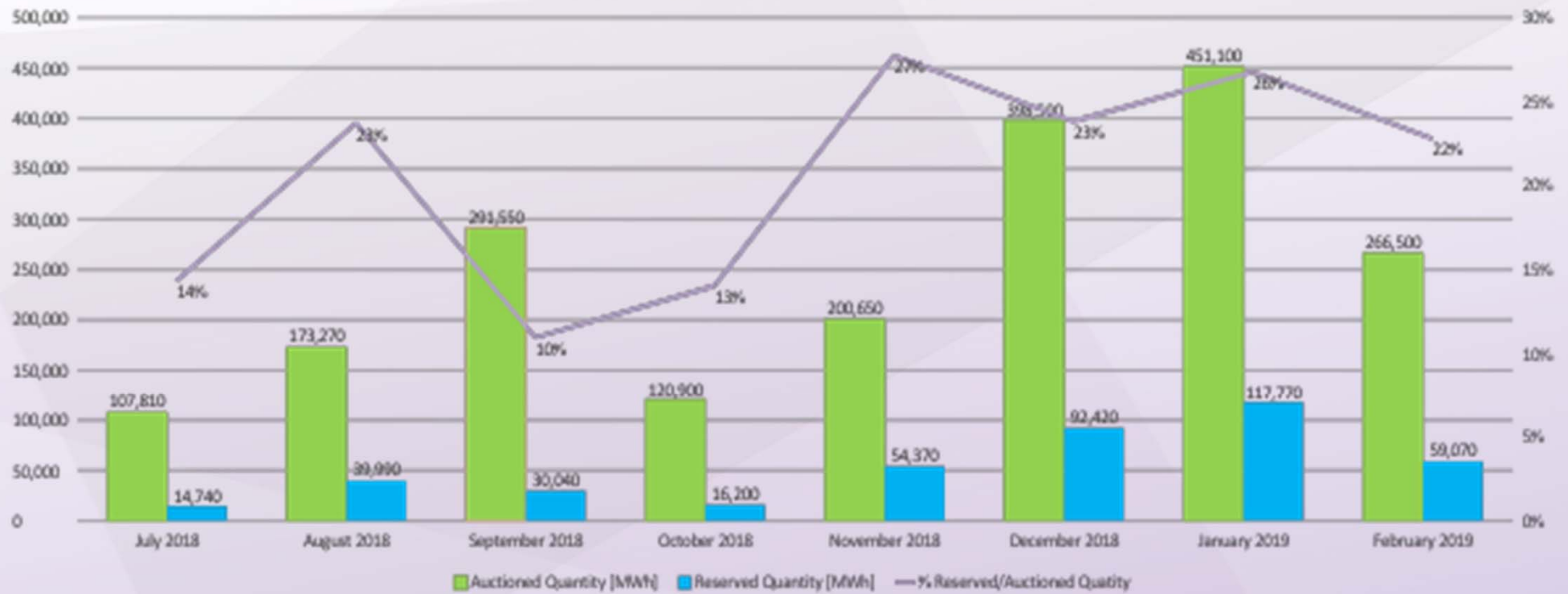
- TSO addresses NNGTS Users for the sale and purchase of gas for operational balancing purposes, on a day-ahead or within - day basis
- Transactions are carried out through auctions and a marginal sell gas price along with a marginal buy price are established on a daily basis
- Up to 18 daily auctions may take place
- Users manage their balancing position

Virtual Trading Point

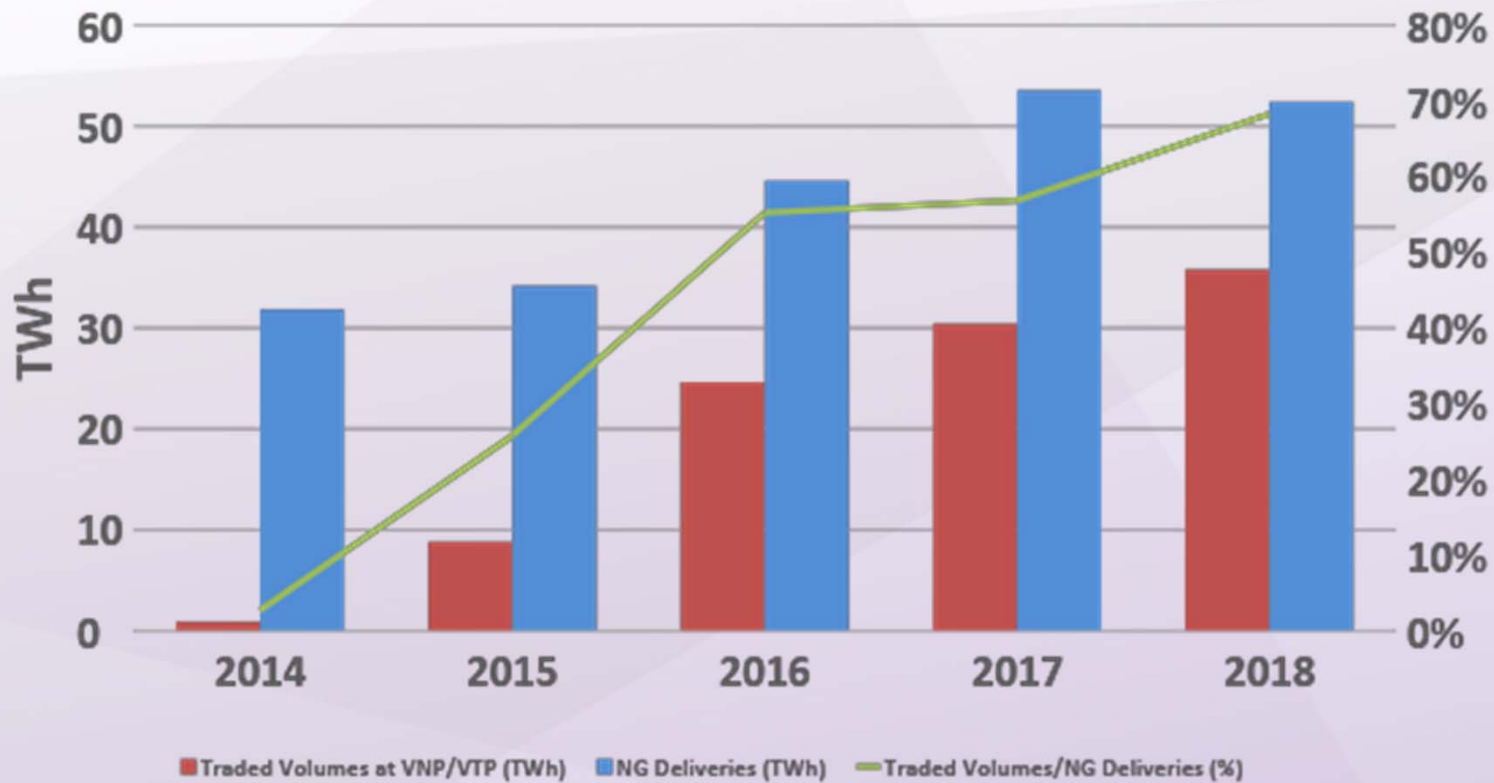
- Replaced Virtual Nomination Point
- Users can trade quantities without prior capacity booking
- Paper traders can participate at the VTR in the Greek market

Balancing Auctions

Balancing Platform - Montly Data



Traded Volumes at VTP



NC on Balancing

Trading Platform

- RAE has taken the initiative to collaborate with HEnEx, DESFA and the Ministry of Environment and Energy for the establishment of the new Natural Gas Markets.
- RAE has assigned HEnEx S.A. to carry out a feasibility study for a Natural Gas market in Greece.
- Deliverables to be expected by the end of July

NC on Balancing

2nd Interim Measures Report (art. 47)

- The Market still lacks liquidity
- Operation of the Balancing Platform for a transitional period after the operation of the Trading Platform (the earlier date between one year after the operation of the TP and 15.4.2024)
- Under consultation with the Bulgarian NRA

Information Model- Forecasting Party – Forecasting Methodology

- Currently working on this Decision
- Base model seems to be the most suitable
- Under consultation with the TSO and the DSOs

CAM NC - EU 459/2017 & Interoperability - NC EU 703/2015

Greece fully implements EU Regulations on capacity allocation and interoperability issues.

- Auction- based capacity allocations at GR-BG IP Kulata/Sidirokastro (since 1.1.2017) and GR-TK IP Kipi (since 20.08.2018)
- IA between DESFA and BulgartransGaz for the IP Kulata/ Sidirokastro, entered into force in July 2016 – second version in June 2017 that allowed reverse flow
- Intensified efforts to sign an Interconnection Agreement between DESFA and the Turkish operator, BOTAS, are in progress
- The first quarter of 2019, 8 users have been active at Sidirokastro in the forward flow, 1 user in the reverse flow, while 2 users at Kipi.

Tariff NC – EU 460/2017

- Greece has started implementing the EU Regulation on tariffs, according to the time plans
- Currently there are two open consultations for the amendment of the Tariff Code
 - 1st according to Art.28 of TAR NC concerning the multipliers for IPs for the short term standard capacity products
 - 2nd according to Art. 26,27 & 30 of TAR NC, where capacity weighted distance reference price methodology is considered to be the preferred one
 - End of consultations: 07.05.2019
- The new tariffs will be published by the end of May 2019 and will be implemented in 2020