


ACER

 Agency for the Cooperation
of Energy Regulators

Congestion Management procedures implementation: update on progress

EU Stakeholders Group
18 September 2013

Background

- **Ongoing discussions at national and European levels between the TSOs and the NRAs**, including via the Gas Regional Initiatives in order to ensure consistent implementation of the CMPs at IPs.
- **Work of ACER on CMP implementation**
 - **Survey developed by ACER with ENTSOG** in February-March 2013 and presented at the April Madrid Forum → Identification of main implementation issues.
 - **ACER “issues paper”** published in August 2013 → Non-binding guidance for NRA (Discussed during CMP Associations Roundtable in June 2013).
 - **2nd Implementation survey** in July-August 2013

ACER Issues paper 1/2

- **Aim**

- Identification of areas requiring harmonized/coordinated decision at a cross-border level for an efficient implementation of the CMP guidelines → avoiding diverging interpretations at national levels
- Interpretation of the CMP provisions in combination with the CAM network code.

- **Main statements for coordinated implementation at IPs**

- Efforts from the TSOs to coordinate and offer the capacity made available by the CMPs as bundled products where possible.

ACER Issues paper 2/2

- **Oversubscription and Buy-back**
 - TSOs cooperate on the **determination of the level of technical capacity** at the IP.
 - The **aggregated offer of technical and OS capacity** should aim for consistency on an IP.
 - Agreement on the **design of the BB procedure** between the adjacent TSOs.
 - BB should be market based → founded on the **willingness of the shipper** to sell its capacity back to the TSO.
- **Capacity surrender**
 - Agreement between the TSOs on **the timing and measures** allowing the shipper to get its non-reallocated capacity back.
 - **Priority rule for reallocation** (time stamp vs prorata).
- **LT UIOLI**
 - Need to agree between adjacent TSOs/NRAs on **withdrawal of bundled products**.

Implementation survey

July-August 2013

- **Aim:**
 - Monitoring progress of implementation
 - Ensuring that respective measures are implemented in a consistent manner across IPs as well as in a wider EU context (CMP Issues paper)
- **Survey shared with ENTSOG**
- **Responses received from 19 countries.**
- **Survey conducted ahead of implementation deadline → Results shown today do not necessarily represent final implementation.**

Implementation survey

Main results

- **Implementation work is ongoing in all EU countries.**
- **In most cases, general implementation of the surrender and long-term UIOLI.**
- **Oversubscription & buyback (OS & BB) :** will probably be applied in FR, BE, UK, SI, IE, CZ, ES, IT, NIR, HU, GR, NL.
- **Firm day-ahead UIOLI** in AT, DE, PL → OS & BB will not be applied pursuant to 2.2.3 (6).

Implementation survey

Main results

- **Main elements of OS&BB Systems**
 - Most TSOs start as a first step with overselling **day-ahead and/or within products**
 - In some countries, overselling on **monthly and longer term products as of 1st of October**.
- **Mitigation of high buy-back costs either by**
 - Cap on buy-back price
 - Less additional capacity offered
- **Additional capacity is considered as the same capacity product as firm technical capacity in most countries.**
- **Cross-border discussions ongoing for the implementation of convergent mechanisms.**

Implementation survey

Main results

- **Surrender of capacity**
 - Surrender paid with network charges in most cases (**no additional fee**).
 - Most countries use FCFS (time stamp) as a **reallocation rule of the surrendered product**. Only a few propose pro-rata.
 - Ongoing work at IP level to agree on the measures allowing the shipper to get **back its non-reallocated capacity**.
- **LT UIOLI**
 - Decision on whether **conditions for withdrawal** are met either by NRA or TSO.

Conclusion

- **Need to have a common agreement on several areas for applying CMPs on bundled products →** work developed in the issues paper.
- **Interaction between CAM and CMP requirements**
 - **Need to take into account the interim period** between the CMP implementation deadline (1st October 2013) and the application of CAM (as of 1st Nov. 2015).
 - **Experience with CMP mechanisms to be assessed in parallel to NC CAM early implementation →** Amendments to national CMP implementation may be necessary.
 - **Cross-border coordination** will continue → in order to implement convergent mechanisms for bundled products

Next steps

- **ACER to prepare monitoring of congestions at IPs according to 2.2.1.3 of the CMP Regulation.**
- **General ACER implementation monitoring (after implementation deadline).**
- **Further work on the issues paper.**