

A faint, light blue line-art illustration of a globe is positioned in the background on the left side of the slide. It shows the outlines of continents and latitude/longitude lines.

Will the new Network Codes make a difference?

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**International
Association
of Oil & Gas
Producers**

More about OGP: Our membership spans the globe and accounts for more than half of the world's oil output and about one third of global gas production. From our London office, we foster cooperation in the area of health, safety and the environment, operations and engineering, and represent the industry before international organisations, such as the UN, IMO and the World Bank, as well as regional seas conventions, such as OSPAR, where we have observer status. OGP Europe in Brussels represents before the EU OGP members who are active in Europe.

Why will the new NCs make a difference



- Stakeholder role in the NC development process
- OGP commend ENTSOG and its CAM & Balancing teams on engagement of stakeholders
 - Cost/time effort is well spent

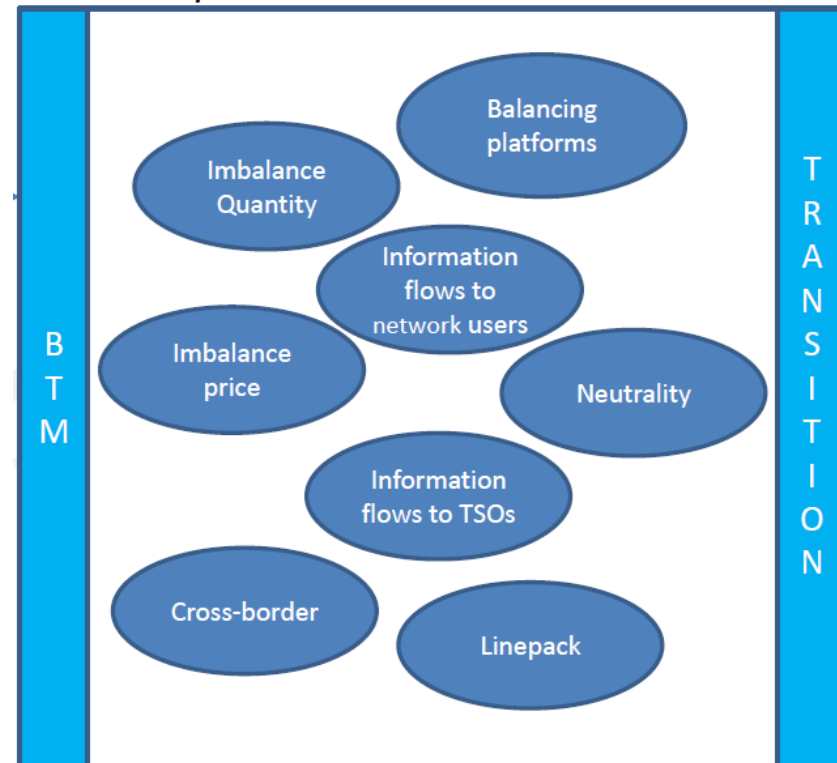
CAM Network Code Development
14 Stakeholder workshops
>700 Person workdays spent
70 MB of material online



- Key achievements in CAM:
 - Transparent rules for capacity allocation at IPs
 - EU-wide synchronised auction calendar and harmonised auction rules
 - Standard capacity products
 - Harmonised Gas Day
 - Bundled entry- and exit-capacity offered

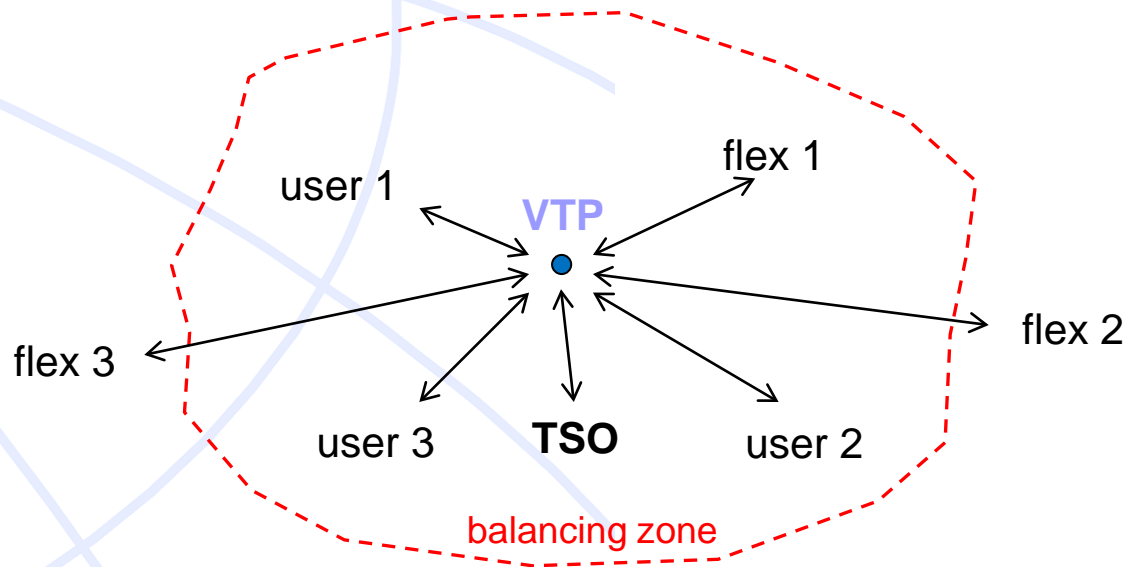


- Gas Balancing NC is more complicated than CAM:
 - Balancing is complex
 - Concerns all entry- and exit-points
 - Affects end-users and DSOs
 - Core to the business of TSOs
- Consultation on draft NC is still open



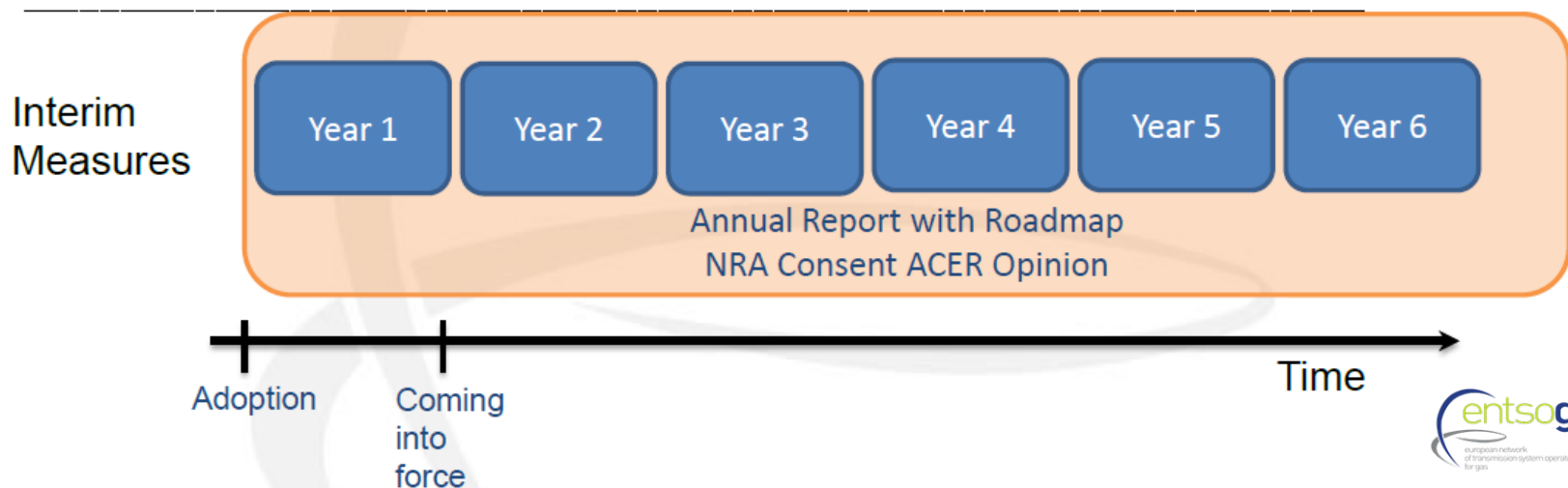
- Key achievements in Gas Balancing:
 - Harmonised rules for balancing
 - Standard balancing products/services
 - Enable cross-border trade of within-day flexibility
- Sufficient facilities exist to keep systems balanced
 - Balancing NC will change the mechanisms to call on these facilities, enhancing the role of the market

- New NCs help to establish liquid within-day market
 - Allows users to buy/sell flexibility across borders
 - Enables TSOs to buy/sell flexibility
 - Opens flexibility market to 'new' players
 - Does not exclude long-term contracts



- Transition takes time, hence interim measures apply
 - Range of balancing tools for TSOs to manage system within safe operating margins

Implementation timeline



- New Network Codes will make a difference
- Transition takes time

Thank you for your attention !