



Network Code Tariffs

-initial GIE remarks-

Philipp Daniel Palada: ENTSOG kick off WS, 15
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- GIE supports the overarching scope and objectives
- Some general questions to be solved within the Network Code (NC)
 - Area of application
 - Issues to be defined in the NC vs. complete „instructions“ of Framework Guideline (FG)
 - Consistency of rules
- In some aspects the FG is very prescriptive
 - what is left for the stakeholder process?
- In some aspects the FG is quite general
 - will authorities accept ENTSOG/stakeholder's solutions?

- GIE supports the general approach to define a set of cost allocation methodologies and to criteria for their use
 - The combination of circumstances criteria, cost allocation test and methodology counterfactual might be too complex and too narrow to cover all „circumstances“ in Europe
- Secondary adjustments might be needed, but
 - Methodology used should be clear
 - General principles of Regulation (EC) No 715/2009 should be respected
- Clear rules for transmission-storage connection points needed
 - Cost reflectiveness taking into account the service rendered at the IP
 - Possible contribution of storages to system stability, efficient use of the network and efficient level of investments



Some initial views on specific aspects

- GIE welcomes that there are rules regarding reconciliation of regulatory account
 - consistency is crucial
 - Avoidance of cross subsidies between network users needed
- Reserve Prices
 - How to avoid cross subsidies between network users booking long term vs. short term
 - How to avoid cross subsidies between network users booking cross border vs. down stream
 - How to ensure cost reflectivity
 - Interaction between multipliers and seasonal factors
- Floating tariff might be threat for long term bookings



Thank you for your attention.

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