

GTE+ 2010 AWP Consultation Initial Proposals

STATOLIHYDRO Feedback

Please use the attached template for Stakeholder feedback to the “GTE+’s 2010 Annual Work Programme Consultation – Initial thoughts” document.

Please send completed template, and/or any other feedback to nigel.sisman@gie.eu , cc. gie@gie.eu.com by 31 August 2009.

Organisation:	StatoilHydro
Name:	Davide Rubini

Q1: Does the programme identify the correct projects for GTE+ focus during 2008/2009?

Answer	Further comments
	<p>In previous responses we have said that we appreciate the willingness of GTE+ to work towards a timely establishment of ENTSOG, as well as to prepare for the work necessary to draft the cross-border network codes following the priority order indicated by the European Commission.</p> <p>We have also said that such activity should reflect the letter and the spirit of the provisions included in the Third Package. This entails that:</p> <ul style="list-style-type: none"> – Only a formal coordination of the foreseen activities with all relevant bodies, institutions and stakeholders can allow the anticipation of expected result; – The sequencing of the necessary actions is well observed to avoid putting undue pressure on other actors and undermine the quality of the dialogue. <p>We understand that the European Commission at the Madrid forum has indicated that capacity and balancing are the activities that deserve priority focus by regulators and TSOs and that work in this respect could serve as trial for the process envisaged for producing relevant cross-border network codes.</p> <p>Coherently, when it comes to the development of network codes, we suggest that GTE+ waits for ERGEG to put forward the required framework guidelines and for the moments limits its action to engaging in an open dialogue with regulators and other stakeholders.</p> <p>Differently, on those activities that require less formal interaction with other formal bodies, i.e. transparency platform, network development plan, winter/summer outlook, harmonisation of maintenance publication and development of the IT platform, GTE+ may decide to move faster.</p>

Q2: Are there any other activities that should displace the focus areas identified?

We believe GTE+ should focus primarily on the activities that do not depend on actions of other actors and on activities related to the establishment of ENTSOG to the extent this is allowed by the Third Package (see Q1). Any deviation from here should occur reflecting the order and the procedure enshrined in the legislation.

Answer
Yes / no

If yes;

What other priorities should be addressed?	See above.
Which elements of the plan should be displaced?	See above.

Q3: What areas should be considered for “pilots” to test the Third Package Framework Guidelines and Network Code development processes during the interim period.

Views are sought on the desired scope of suggested areas that might be the focus of work during interim before the Agency and ENTSOG can be fully functional in their anticipated roles.

Area	Definition of scope
Capacity	<p>We understand the responsibility of ENTSOG as confined to cross-border network codes, yet we read the scope of the activities related to capacity foreseen by GTE+ as rather limited in that confined to the definition of standard products and aiming at no conclusive result.</p> <p>We also believe that market participants have already made progress in this area. Results should be taken into due consideration. In particular we would like the reflections made by TSOs to be informed by the following elements:</p> <ul style="list-style-type: none"> – Precise calculation of and transparency on infrastructure utilisation levels are the basis for any of the decision to be taken with respect to modifying CAM and CMP; – Managing congestion through market based mechanisms remain the most efficient and most transparent option; – Flexibility, in particular at interconnection points, is an important tool for shippers and traders and the limitation of it should not be pursued unless a cost-benefit analysis is undertaken;

	<ul style="list-style-type: none"> – A wide variety of capacity products available in the market is essential to meet the needs of shippers and traders and to facilitate liquidity in the markets; – Simplification and reduction of transaction efforts at interconnection points by establishing single booking procedures is critical to transparency and to market integration.
Balancing	<p>The consultation document states that the goal of the balancing working group is to support TSOs in their transition towards market-based balancing regimes. We believe that, once the Commission has given its mandate and the Agency has produced the relevant guidelines, ENTSOG will have to adjust this ambition and aim at the finalisation of the relevant code.</p> <p>During the preparatory period GTE+ will have to make sure that work done in the past is sufficiently taken into consideration, in particular with reference to those principles that have already been accepted by the majority of the market participants and regulators.</p>

Q4: Are the objectives and deliverables associated with each plan realistic?

The time allocated to complete each activity seems reasonable and appropriate although deadlines require alignment with related process, i.e. the setting up of the Agency, definition of the Commission’s priority list, publication of the Agency’s framework guidelines.

Organisational Development	<p>The high degree of transparency required by the establishment of a new formal body implies that the deadlines enshrined in the Third Package are well reflected. Alternatively the process should at least be in line with sequencing defined in approved legislation and be backed by wide consensus. This is so in particular to:</p> <ul style="list-style-type: none"> – Avoid undue pressure on other actors; – Avoid duplication of work where substantial revision is required.
Capacity	See Q3.
Transparency Platform	Continued work on the improvement of the transparency platform and the information that is uploaded is necessary. The platform has potential of becoming a useful tool in the European gas markets, but the quality of the information and user-friendliness of the site must be improved to achieve this.
Ten Year Network Development Plan	Our position will be delivered separately as analysis is ongoing. As for now we would like to stress that an effort to harmonise the quality and the quantity of data and information provided by TSOs should be made,

	at least with respect to those projects that do have a bear in several Member States.
Winter Outlook	See answer on Ten Year Network Development Plan.
Balancing	See Q3.
Code on Harmonization of Maintenance Publications	Continued work on streamlining information management by TSOs is welcome. The code could be a useful tool and we would appreciate to know more about discussions among TSOs in this respect.
IT and Communications Roadmap	Continued work on streamlining information management by TSOs is welcome. The code could be a useful tool and we would appreciate to know more about discussions among TSOs in this respect.

Q4: If delivered in a timely and responsive manner would the programme defined in this document constitute a significant step towards the development of the internal market?

Any progress achieved by GTE+ and obtained with the appropriate level of involvement of relevant stakeholders will be welcome, as long as market parties are appropriately consulted and included in the process. Any evaluation will have to be performed at the end of the process.

Q5: Do respondents have any additional comments or remarks to make about:

The proposals to establish ENTSOG	No additional remark.
The Work Programme envisaged in this document	No additional remark.
Anything else?	No additional remark.

Q6: Is there any advise/feedback you would like to offer GTE about how it can best facilitate the transition between today and implementation of the Third Package?

The tasks and the responsibilities assigned to ENTSOG in the Third Package require a high degree of coordination with other formal bodies as well as with all stakeholders. To ensure that the preparatory work GTE+ has embarked on remains of value it is important that:

- Constant and open dialogue with all relevant stakeholders and alignment of priorities is ensured through formal processes;
- GTE+ does not work on issues and activities for which no clear mandate has been established so to avoid duplication of work.

Q7: Would you like to meet with GTE members involved in each of the Project Areas and if so who would you suggest we contact within your organisation?

Subject Area	Answer (Yes/No)	Contact name	e-mail	Telephone number
Organisational Development	Yes	Davide Rubini	dруб@statoilhydro.com	+47/98584835
Capacity	Yes	Helga Franse	helfra@statoilhydro.com	+32/474495354
Transparency	Yes	Helga Franse	helfra@statoilhydro.com	+32/474495354
Ten Year Network Development Plan / Winter Outlook	Yes	Davide Rubini	dруб@statoilhydro.com	+47/98584835
Balancing	Yes	Christiane Sykes	csyk@statoilhydro.com	+44/2032043673
Procedure on Harmonization of maintenance Publication	Yes	Christiane Sykes	csyk@statoilhydro.com	+44/2032043673
It & Communications Roadmap	Yes	Helga Franse	helfra@statoilhydro.com	+32/474495354

Please do not feel constrained by the sizes of the boxes above. GTE+ welcomes comprehensive feedback as critical part of establishing the GTE+/ENTSOG Work Programme

Q8: Please could you indicate if your response can be published on our website.

Answer
Yes