

GIE's answer to DG ENER's Public Consultation on the "Establishment of the annual priority lists for the development of network codes and guidelines for 2013 and beyond"

Introduction

According to the EU regulation, the European Commission has to establish in accordance with Article 6(1) of Regulation (EC) No. 714/2009 ("the Electricity Regulation") and Article 6(1) of Regulation (EC) No. 715/2009 ("the Gas Regulation") an annual priority list identifying the areas to be included in the development of network codes.

GIE welcomes this yearly public consultation on the establishment of the annual priority list for the development of network codes and guidelines for 2013 and beyond. Since GIE members are active in the natural gas infrastructure business, GIE will only answer to the part of the public consultation related to gas.

Consultation

The European Commission's view on key areas for network codes and guidelines is laid down in the tentative annual priority lists for 2013. The Commission would welcome feedback from stakeholders on whether they agree with the proposed annual priority lists and encourage them to give their input on the possible scope and the need of network codes and guidelines beyond 2013

GIE answer

GIE supports a focussed activity on the key elements that are necessary to deliver a properly functioning internal market at the soonest opportunity. Therefore GIE welcomes confirmation that the focus for 2013 (and indeed for the rest of 2012) in gas activity must remain on capacity (both congestion management procedures and capacity allocation mechanisms), balancing rules, interoperability, data exchange and to the extent necessary, tariff structures.

As part of the CAM network code, ENTSOE has included those tariff elements that are regarded as essential to the proper functioning of the capacity booking regime.

Unless specific problems are identified, and substantiated, as part of ACER's current Tariff consultation, GIE would propose a narrow scope for future tariff work if conducted under the framework guideline / network code route.

Tariff structures across Europe are extremely diverse and [often] with good reason given local differences and historical developments. Therefore only where key elements, such as poor cost-reflectivity distort network user's choice of gas routes to market, are identified and substantiated as inhibiting the market or hampering investment should harmonisation be sought.

GIE therefore recommends that the Commission is pragmatic and seeks to limit the scope of the framework guideline to those elements that are critical to the functioning of the market. This should be reflected in any invitation that the Commission sends to ACER.



However, establishing an investment climate fostering gas infrastructure for the deployment of variable renewable energy sources needs to be a priority. Therefore GIE proposes to keep the ACER Tariff workload light so that ACER resources can work on the more important issue of the gas infrastructure investment mechanisms.

GIE would envisage that if appropriate a framework guideline / network code development process to address the investment issue could be scoped this year. Thus, if required, a framework guideline/network code development could be conducted under the Third Party Access code envisaged in Article 8(6) starting in 2013.

GIE would propose to review the case for more work in the rules for trading area when the outcomes of CMP, CAM and Balancing are known. The rules here should not be so prescriptive that they limit the innovative capability of the industry but should rather be focussed to those rules that are related to technical and operational provisions of network access services and system balancing.

GIE requests that next year's Priority Plan consultation is conducted a little earlier to enable a decision to be taken about the merits of network security and reliability rules & Operational procedures in an emergency.

The priority must remain to focus on the key elements of the access regime to ensure timely implementation.