

BALANCING NETWORK CODE STRUCTURE

Below please find for review a high-level structure for the BAL NC, proposed by the ENTSOG project team, indicating how the substantive/content section would be organised.

In drafting of the code text going forward, the project team proposes:

- formulating business rules to serve as 'place holders' for complex chapters or those which require additional engagement with members and/or stakeholders;
- where the substantive issues appear straightforward, formulating 'straw man' code text, such as:

CHAPTER I

SUBJECT MATTER, SCOPE AND DEFINITIONS

Article 1

Subject matter and scope

1. This Decision establishes a network code on gas balancing in transmission systems.
2. The purpose of this network code is to define balancing rules, including network-related rules on nominations procedures, rules for imbalance charges and rules for operational balancing between transportation system operators' systems as required by Article 8(6)(j) of the Gas Regulation.
3. This network code applies to all balancing regimes within the borders of the European Union.

Article 2

Definitions

1. For the purposes of this Decision, the definitions set out in Annex I shall apply.

In the definitions set out in Annex I, all references to the transmission system operator refer to the entity responsible for keeping the system in balance. Where this is a party different from the transmission system operator, references to transmission system operator relates to that party.

CHAPTER I
SUBJECT MATTER, SCOPE AND DEFINITIONS

Contents

- Subject matter and scope
- Definitions

CHAPTER II
ROLES AND RESPONSIBILITIES FOR TRANSMISSION SYSTEM OPERATORS AND NETWORK USERS

Contents

- TSO
 - All direct roles of the TSOs and possible assigned roles
- Network User
 - Definition (including role of balancing aggregator, if appropriate)
 - Balancing contract accession arrangements

CHAPTER III
BALANCING SYSTEM

Contents

- System definition
 - Entry points
 - Exit points
 - Virtual trading point
 - Principles for design

CHAPTER IV
BALANCING PERIOD

Contents

- Balancing period
- Interim measures

CHAPTER V
WITHIN-DAY OBLIGATIONS

Contents

- Implementation of Within Day Obligation
- Deadline for approval of pre-NC WDOs
- Process for NRA approval
- ACER role

CHAPTER VI
OPERATIONAL BALANCING

Contents

- Balancing tool definition
- Short-term standardised products
- Balancing services
- Buying and selling of flexible gas
 - Release of flexible gas
- Decision-making processes
- Merit order
- Incentives
- Interim measures

CHAPTER VII

IMBALANCE CHARGES

Contents

- Daily quantity and imbalance definition
- Imbalance price determination
 - Imbalance price proxy
- Imbalance cash-out settlement functions
 - Tolerances
- Interim measures

CHAPTER VIII

NEUTRALITY ARRANGEMENTS

Contents

- Cost and revenue elements (gas)
- Cost and revenue elements (non-gas)
- Redistribution approaches
 - Timings
 - Net neutrality apportionment rules

CHAPTER IX

NOMINATIONS, SCHEDULING RENOMINATIONS AND INFORMATION EXCHANGE

Contents

- Nominations/re-nominations scoping
 - Points
 - Data
- Operational scheduling

CHAPTER X

INFORMATION PROVISION OBLIGATIONS

Contents

- Nominations
- Overall status of the system (as per Chapter 3 of Annex 1 of the Gas Regulation)
- Aggregate network user information

- TSO actions to buy and sell gas
- Individual network user information, incl. NDM derived forecasts
- DSO information
- Information from gas exchanges/balancing platforms
- Incentives
- Interim measures

CHAPTER XI

CROSS-BORDER COOPERATION

Contents (TBC)

- TSO cooperation
- Consultation process on integration proposals
- Review (report) on harmonisation
- Interim measures

CHAPTER XII

COMPLIANCE & MONITORING AND IMPLEMENTATION

Contents

- Compliance
- TSO report on interim measures
- Entry into force

Linepack flexibility service – to be placed after SJWS2 discussion

ANNEX I

DEFINITIONS

[Dropped from future revisions of structure/spine document]