

Responses to Consultation on Draft Code on Balancing

Please complete the fields below and send via email using the subject, Response to Consultation on the Draft Code on Balancing, to info@entsog.eu by 17:00CET on June 12th.

Please note that respondents are not required to respond to all questions below.

In sending your response submission by email, you are confirming that ENTSG can disregard any standard e-mail text about not disclosing email contents and attachments.

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ENTSO-G seeks to publish response once the consultation has ended. Please indicate here whether your response is confidential (in whole or part)

☐ In whole, meaning nothing to be published

☐ In part, meaning a version with your marked confidential sections excised by ENTSOG could be published

CHAPTER II. BALANCING SYSTEM

Question 1 – Do you concur that the implementation of a Virtual Trading Point via the inclusion of the Trade Notification and Allocation scheme in the Balancing Network Code will contribute to the delivery of a properly functioning market? If not, please propose an alternative and provide justification.

Response:

Yes.

The Virtual Trading Point (VTP) is absolutely essential for the functioning of an entry-exit system and is also required by EU Third Energy Package.

Question 2 – in the context of the proposed Trade Notification and Allocation scheme, does the Draft Code provide sufficient harmonisation within? If not, what would be the preferred basis for any additional harmonisation?

Response:

No.

The draft does not provide sufficient harmonisation as it lacks the obligation to establish a single VTP per Balancing Zone.

Furthermore the Draft Code lacks the obligation for each Transmission System Operator (TSO) to grant access to the VTP as soon as a Network User has, either, acquired system entry capacity (IP, storage, production field, LNG), or, has the right to deliver gas to a customer within the balancing zone, regardless of whether this customer is connected directly to the transmission system or to a distribution system downstream of the transmission system. For the development of a functioning wholesale market it would have been very beneficial if the draft would have made clear, that a balancing zone must comprise both the transmission system(s) and the distribution systems connected to it.

CHAPTER III. CROSS-BORDER COOPERATION

Question 3 - Do you agree that ENTSOG should issue the review of the progress of harmonisation of balancing rules report at the latest two year after the implementation of the network code and then biannually thereafter? If not, please propose an alternative and provide justification to support your proposal (and /or counter Draft Code's approach).

Response:

Yes.

It is important to continuously review implementation of the Draft Code for TSOs to justify any delayed implementation.

Question 4 – Do you agree with the proposed review process (including the issuing of a report (in the public domain)? If not, please propose an alternative and provide justification to support your proposal (and /or to counter Draft Code's approach).

Response:

Yes.

Given the current lack of transparency in several member states' balancing systems, it is of utmost importance for Network Users to be kept up to date of potential changes and of the Draft Code implementation.

CHAPTER IV. OPERATIONAL BALANCING

Question 5 – Do you agree that TSOs should, under specific circumstances, be allowed to trade in adjacent markets? If so, please explain under what circumstances.

Response:

GM&T does not agree with the concept of TSO cross border balancing. A TSO trading in adjacent markets will inevitably use transport capacity on its own, and in the adjacent transmission system. As such it is not complying with Regulation 715/2009, which obliges TSOs to maximise the transport capacity available to Network Users, and is violating the concept of the TSO acting only as residual balancer.

The argument that TSOs may only use transport capacity on interruptible basis and only if Network Users do not use the respective capacity themselves (i.e. interruptible capacity which would be interrupted first) does not convince. It fails to take into account the information asymmetry between Network Users and TSOs in relation to balancing actions. 'Information asymmetry' in this context means that, in order to minimise a balancing risk in the adjacent transmission system, a TSO will use transport capacities for balancing actions only to the extent he can assess the risk of interruption as being zero (for example because he can assess the risk of renominations from firm capacity holders at a specific IP). If Network Users were able to assess the risk of interruption to the same extent, they would be able and incentivised to use the same interruptible capacity to offer the TSO a short term balancing product themselves.

Cross border balancing, whether TSO or shipper led, should only ever be undertaken as part of a pre-defined plan to merge entry and exit zones or create cross-border Balancing Zones, wherever and to the extent it is technically feasible and economically reasonable.

However, TSOs should still be allowed to use OBAs and swap arrangements with adjacent markets

for operational rather than contractual reasons if necessary, and subject to consultation with NRAs, and regulating oversight.

Question 6 – Do you agree that the use of the expression ‘economic and efficient’ is a suitable criterion assessing TSO Balancing Actions? If not, please provide an alternative and an associated rationale.

Response:

Yes.

Question 7 – Do you agree with the choices in the Draft Code: (1) to limit standardised products for trading flexible gas to short-term products; and (2) to have only a small number of short-term standardised products? If not, please explain why.

Response:

Yes.

Limiting standardised balancing products to the short-term enables shippers to better offer accurate balancing products to the TSO.

The small number of standardised products should better enable shippers to participate in balancing energy tenders and thus decrease the price of balancing energy.

It is further worth noting that temporal products should be ruled out, given that pairs of ‘end-of-day’ title products should be sufficient. For example, if a TSO only requires balancing energy for a few hours, he can sell off the remaining volume which will further encourage development of a liquid wholesale market.

Question 8 – Do you agree that the Balancing Network Code should not prescribe exchange-based trading for the TSO and to leave this to the discretion of the TSO and the TPO? Should the network code provide criteria and factors to consider for the TSO to use an exchange based trading?

Response:

Yes.

However, the TSO should primarily make use of exchange-based trading for the procurement of balancing energy and only if the TSO can justify necessity should a balancing platform be allowed. Furthermore there should be a review of balancing platforms to assess whether they can be replaced by or transformed into proper exchanges. In general the key criteria for the form of balancing energy procurement should be efficiency and transparency.

Question 9 – Do you agree with the current level of services to be provided by a Trading Platform specified in the Draft Code? For example, the STSPs make no reference to a block size, meaning that this will be agreed on a local basis. If not, please explain where and why

additional specification is needed.

Response:

Yes, partially.

The level of services to be provided by a Trading Platform specified in the Draft Code is almost sufficient, but additionally there should be block size specifications in order to better enable shippers to participate in the provision of Short-Term Standardised Products (STSPs).

Question 10 – Do you agree with the current level of specification in the Draft Code on contractual structure and arrangements between the different parties? What changes (if any) would you advocate?

Response:

Yes.

Question 11 – Do you agree with the choices in the Draft Code to put the obligation to (re)nominate on the Originating Party? If not, what would your preferred alternative be and what benefits would this alternative have over the mechanism proposed in the Draft Code?

Response:

Yes, partially.

In a locational trade where the Accepting Trading Participant is a Network User – a scenario the draft allows for – the accepting participant would have to (re)nominate as well.

Question 12 – Do you concur with the sequence of the tools in the merit order and the level of guidance it gives the TSO in choosing the most appropriate tool? If not, which changes, if any, would you advocate and why?

Response:

No.

Changes to the Draft Code are necessary in order to clarify the wording of the merit order so that TSOs choose title market products first, where available and to the extent appropriate, before using any other STSP. There should further be a clear prioritisation of within-day STSPs over day-ahead STSPs.

Question 13 – What is your view on: (1) the criteria to be considered by the TSO when procuring Balancing Services; and (2) the gradual reduction of the use of Balancing Services as the liquidity of the wholesale market increases? Please provide a reasoned response.

Response:

It is unclear what exactly the criteria set out in Article 16. (1) refer to – i.e. either to the initial procurement of Balancing Services, or to a balancing action using previously procured Balancing

Services, or to both.

Clearer wording would be beneficial, where ideal criteria should enable TSOs to procure Balancing Services based on both economic and efficiency considerations.

Question 14 – Do you agree with the proposal that the TSO shall be enabled to submit an incentive mechanism to the NRA for approval? If not, please explain why.

Response:

Yes, partially.

However, the TSO should only be enabled to submit an incentive mechanism to the NRA for approval, conditionally on a public consultation and a reasoned explanation or Cost Benefit Analysis (CBA) of how the proposed incentive mechanism improves efficiency of the balancing system.

Question 15 – Do you consider that the procedures set out in the Draft Code (excluding timing, which is covered below) for the submission of nominations and re-nominations, and the criteria for their rejection, are reasonable? If no, please present and justify your preferred alternative.

Response:

No.

It is clearly inappropriate to allow TSOs to reject nominations (respectively renominations) that are within a Network User's booked capacity rights if the TSO cannot deliver on its contractual obligation, as this entirely undermines the concept of firm capacity. The only exception to this could be where this is as a result of an emergency situation, or a pre-notified instance of force majeure, but both cases would need to be specified in the Network Code.

CHAPTER V. NOMINATIONS

Question 16 – Do you agree with the schedule for initial day-ahead nominations set out in the Draft Code? If not, please give a reasoned alternative schedule.

Response:

Yes.

Question 17 – Do you agree with the schedule for re-nominations set out in the Draft Code? If not, please give a reasoned alternative schedule.

Response:

Yes.

The two hour maximum lead time is sufficient, but furthermore TSOs should be given discretion to

reduce the renomination lead times if appropriate.

Question 18 – What are your initial views on these specific features on nominations (respectively re-nominations) for transition, system integrity and daily-hourly regimes of the network code? Please provide a reasoned response.

Response:

Regarding re-nominations during a transitional period in Article 25. (2), the Network Code should set a minimum of at least three renomination cycles, since this is indispensable for the balancing of smaller portfolios that depend on Interconnection Point flexibility.

Furthermore there should be a shorter transition period of two years for renominations compared to other transitional measures, given the importance of flexibility to enable shippers to balance their positions.

CHAPTER VI. DAILY IMBALANCE CHARGES

Question 19 - Do you support the Daily Imbalance Quantity determination proposed in the Draft Code? If not, please indicate your preferred approach and supply further rationale and evidence of the benefits of Daily Imbalance Quantities being derived on information based during the Gas Day?

Response:

Yes.

Question 20 – Do you have alternative views as to whether Locational and/or Temporal Market Products should feed into the derivation of the Weighted Average Price? If so what is your rationale for a different approach and what do you see as the benefits?

Response:

No.

Locational Market Products should definitely be excluded from deriving the Weighted Average Price as they reflect specific situations and are thus not reflective of the overall balancing costs and revenues.

Temporal Market Products are more reflective of overall balancing costs and could be taken into account as part of the Weighted Average Price, as long as they are not locational transactions.

Question 21 – Do you agree that day-ahead trades should feed into the determination of the Weighted Average Price, Marginal Buy Price and Marginal Sell Price? If so, then under what circumstances should they be used? Is there merit in allowing local discretion as to whether day-ahead trades influence the setting of the prices?

Response:

No.

Given that balancing is based on within-day actions, only within-day prices should contribute to setting the Weighted Average Price, Marginal Buy Price and Marginal Sell Price.

Question 22 – Do you agree that the source of trades should be left to local discretion? What criteria should apply? Should there be an aspiration that the source of trades should be a single platform and if so why and how should the platform be determined? Please provide a rationale for your preferences.

Response:

Partially yes.

It could be left to local discretion to decide what type of platform would be most appropriate to use as a source of trades, depending on liquidity of the respective market.

However, the source of trades shall always be a single platform (Trading Platform or if necessary a Balancing Platform) in order to ensure anonymity, equal access, transparency, financial security, and auditable cash out prices. This implies that TSOs should not trade OTC.

The use of a single trading platform also prevents the splitting of liquidity.

Question 23 – What should the effect of the small adjustment be: to encourage trading or to be sufficiently large to reflect a value for physical flexibility?

Response:

The small adjustment should be set to encourage trading, and not set high to the extent where it becomes punitive, i.e. not so high that it generates imbalance prices which are consistently greater/less than the price of TSO buy/sell actions. For this reason it is important for there to be a stakeholder consultation on the level of the small adjustment, and on the imbalance charge methodology as a whole, and to allow the small adjustment to adapt to changing market circumstances.

Question 24 – Do you agree with the addition of cross border trade as a criterion to the derivation of the Small Adjustment? Are the criteria sufficient? If not, what else should be added? Please justify any proposals.

Response:

Yes.

GM&T agrees with the addition of cross border trade as a criterion in Art.29 (3) c) as this should prevent small adjustments from being set at a punitively high level which would constitute a barrier to market entry.

The criteria are sufficient.

CHAPTER VII. WITHIN-DAY OBLIGATIONS

Question 25 – In your view, are the elaborations of the criteria in the Draft Code sufficient? If not, please indicate which ones and how.

Response:

No.

The criteria are not at all sufficient, since they lack a condition that TSOs can only implement or continue Within-Day Obligations if Network Users are able to comply. Shippers need information regarding individual balancing positions in such a timely manner that they are able to adjust their imbalance positions with sufficient lead time for renominations or trade notifications prior to the imposition of any charges. Therefore Article 33. 1. b) must be expanded in order to prevent Network Users from unfair penalties resulting from Within-Day Obligations that they cannot know about or are not able to prevent on time.

Question 26 – Do you believe that additional criteria for assessing WDOs are warranted? If yes, please specify which and why.

Response:

Yes, see Question 25 above.

Furthermore the Draft Code should acknowledge that it is unknown what the proportion of Within-Day Charges will be in relation to Daily Charges, where WDOs have not yet been introduced. The Draft should include that the respective NRAs shall consider this criterion based on reasonable projections by the TSO.

Question 27 – Do you find the respective roles of a TSO and relevant NRA(s) appropriate in the approval of any WDOs? If not, please explain why and how you would re-define the roles.

Response:

No.

Article 34. (2) should be amended so that the relevant NRA issues a decision regarding approval of any WDOs in order to assign full responsibility to NRAs for accepting or rejecting a WDO. It would not be appropriate that far-reaching regulatory decisions on WDOs are deemed to be approved without an explicit decision by the regulator.

Question 28 – Do you agree that a six-month period is appropriate for a TSO to make a proposal for approval of an existing WDO, including a recommendation document? If not, please propose an alternative and provide justification.

Response:

Yes.

Question 29 – Do you agree that a six-month period is appropriate for the NRA to conduct its assessment and approval process? If not, please propose an alternative and provide justification.

Response:

Yes, provided this includes a public consultation.

CHAPTER VIII. NEUTRALITY ARRANGEMENTS

Question 30 – In your view, is the scope of the currently proposed neutrality section of the Draft Code appropriate? If not, please explain why.

Response:

Partially yes.

However, the objective of cost-reflectivity should not be considered on its own, but should also be weighed against the objective of developing a liquid wholesale market. For example, some WDOs such as hourly matching of inputs and offtakes would provide a very high degree of cost-reflectivity but simultaneously makes it difficult for shippers to balance. This potential trade-off should be reflected in Article 37. (3) of the Draft Code.

Furthermore it could be beneficial to complement the notion of TSO cost neutrality in Article 36. (2) with a mention of the incentive mechanisms of Article 17. Such an incentive mechanism could for example reward the TSO for buying or selling gas close to the average market price in order to reduce the end of year costs having to be corrected.

Question 31 – Do you find appropriate the proposed scope of the transparency elements of neutrality? If not, please explain your reasons why.

Response:

Yes.

Question 32 – Please indicate the level of granularity you would expect in the context of the breakdown of net Balancing Neutrality Charges cash-flows from both a temporal (e.g. daily, monthly, annual) and cost/revenue element split.

Response:

GM&T would prefer monthly reporting on all elements that make up each day's aggregate imbalance costs and revenues, such as Daily Imbalance Charges, Balancing Actions, and any potential Within-Day Charges, as well as sufficient information regarding individual Balancing Neutrality Charges to enable shippers to reconcile their invoices.

Question 33 – Do you agree that there would be potential benefits of attributing Balancing Neutrality Charges to different pots and of recovering them over different classes of network users? If yes, please explain why.

Response:

Partially not.

There could potentially be benefits from attributing Balancing Neutrality Charges to different pots and classes of Network Users, as this might reduce cross subsidies and better incentivise Network Users to balance their inputs and offtakes. However, in general GM&T believes that neutrality should be kept as simple as possible. Introducing separate neutrality pots creates complexity and

may force TSOs to introduce Within-Day Obligations, or some form of within day attribution of system imbalances, simply to be able to attribute costs to the appropriate neutrality pot. To the extent that separate neutrality pots are considered necessary, they should not undermine the balancing regime as a whole nor diminish the efficiency and liquidity of the within day balancing market.

Question 34 – If you support multiple neutrality pots, how would these be defined? How could such different attribution processes be applied in practice?

Response:

GM&T does not have a strong view on this.

Question 35 – Is the level of specification in the Draft Code for cash-flow management appropriate? If not, how do you propose it be amended?

Response:

Yes, further details should be left to member states.

Question 36 – An alternative to creating additional costs for invoicing systems and processes is to address neutrality sums via adjustment to transmission charges. Do you agree with such an alternative? If not, please explain why.

Response:

No.

Costs for implementing balancing systems should be assigned to shippers who physically exit gas to customers. Adjusting transmission charges would lead to cross-subsidisation and decrease certainty and cost-reflectivity for transportation costs.

Question 37 – Do you agree with the information provision models for offtakes proposed in the Draft Code fulfil the requirements of the FGs? If not, please explain.

Response:

No.

The Draft Code should specify that the information provisions only relate to pure daily balancing systems without WDOs (see Question 25).

In the case of insufficient information provision creating inability for Network Users to comply with a WDO, such a WDO shall not be implemented, irrespective of the respective CBA outcome set forth in Article 44. The Framework Guidelines explicitly state that the TSO shall provide information in a clear and timely manner for Network Users to take necessary actions to correct their imbalances.

Regarding Article 40. (2), the TSO may provide forecast data on an advisory basis in absence of meters. It should be added that TSOs must assume responsibility for all other proxies used by them.

CHAPTER IX. INFORMATION PROVISION OBLIGATIONS

Question 38 – Do you agree that prospective implementations of Variant 2 should be approved only after a consultation process? If not, please explain.

Response:

Yes.

Furthermore a consultation shall be necessary if Variant 2 is already applied when the Network Code enters into force. According to Article 35. existing WDOs must be consulted on since they represent a deviation from the balancing target model, therefore Variant 2 should be consulted on too, given it also constitutes a deviation from the principle of shippers' self-balancing set forth in the balancing target model by letting the TSO deal with the difference between day-ahead forecast and allocation.

Question 39 – Do you support the additional proposal that the cost-benefit analysis (CBA) should also examine the time taken to provide information to Network Users? Are there any other features that would strengthen the CBA process and why? If so, please explain why.

Response:

Yes.

The CBA should also examine the time taken to provide information, as Network Users should receive information in a reasonable time period.

The CBA must be further strengthened by omitting the reference to WDOs in Article 44. (4). The Draft Code information provisions with two daily updates on individual imbalance positions are clearly designed to fit Daily Balancing. In case of WDOs, additional information must be provided irrespective of the cost, or else the WDO must not be approved, not even with tolerances.

Question 40 – Do you agree that the Balancing Network Code has to provide guidance on timing of information flows? If yes, do you agree with the proposals set out? If you do not agree with the Draft Code proposals what could the alternatives be and what would be the justification?

Response:

Yes.

The Balancing Network Code should provide guidance on timing of information flows, but certain proposals should be amended.

The Network Code should request that IDM and DM gas flows are provided within two hours from the end of the latest hour of gas flows covered, in order to enable shippers to react and adjust their imbalance position. In the Draft Code this is the case for DMs, however IDMs are only provided with updates four hours from the end of the final hour of gas flow and no later than 17:00 UTC, which seems unreasonable compared to the DM provision.

In general the later the information flow update during the gas day the better, as accuracy will improve as long as shippers still have time to react to the revised flows.

The latest NDM update (see Article 41. (3) 1. b)) should be timed based on peak offtakes, as this would enable Network Users to greatly improve their end of day forecasts.

Question 41 – Do you consider that Transparency Guidelines requirements are sufficient to deal with system information? If not what should be included and what is the justification?

Response:

Yes, partially.

The Transparency Guidelines would be sufficient if they were applied properly across EU member states, however this is not the case unfortunately. For example linepack and real time flows are rarely published even where the information exists, despite their fundamental role in signalling imbalance exposure and risk of interruption. Given the insufficient implementation, reference to the Transparency Guidelines should be made in Chapter IX. of the Network Code.

Question 42 – Do you agree that the proposal is in line with input information requirements set out in the FGs?

Response:

Yes.

However, in order to avoid insufficient or inappropriate information provision, the Draft Code should specify that these input information requirements only apply to pure Daily Balancing systems.

Furthermore TSOs should not be allowed to use meeting the Draft Code's input information requirements as a pretext for not fulfilling the Transparency Guidelines.

CHAPTER X. LINEPACK FLEXIBILITY SERVICE

Question 43 – Do the proposed additional criteria that a Linepack Flexibility Service has to meet complement those in the FGs to make a sufficient set of criteria? Or are additional criteria required? Please provide a reasoned response.

Response:

No.

The proposed additional criteria that a Linepack Flexibility Service has to meet are not sufficient. Ideally, a Linepack Flexibility Service should be excluded from the Network Code altogether as it both undermines the TSO's role as a residual balancer and undermines an effective market based balancing mechanism. Instead linepack should be used by the TSO for the collective benefit of all shippers, offering the total amount of flexibility in a band width so shippers who are long and those who are short cancel each other out without the need of an imbalance charge. Furthermore the proposed definition of Linepack Flexibility Service in Annex I (38) is in clear violation of the FGs' stringent end-of-day cash out requirement, by allowing users to carry over imbalances beyond the gas day balancing period.

In case the Linepack Flexibility Service cannot be omitted from the Network Code due to requirements in the FGs, at least additional criteria should be added, stating that the potential Linepack Flexibility Service shall not have a detrimental effect on within-day liquidity and linepack shall only be offered as a system service and not sold individually.

CHAPTER XI. IMPLEMENTATION, INTERIM MEASURES AND ENTRY INTO FORCE

Question 44 – How should the short-term balancing market be defined? What account of temporal and physical flow considerations needs to be made? What measures should be used to assess liquidity in the short-term balancing markets?

Response:

This should be left to national determination.

Question 45 – What other measures might be contemplated to enable wider access to short term gas flexibility? Are any of these approaches appropriate for inclusion in the Balancing Network Code?

Response:

No.

Other measures may include improved access to strategic storage, market making schemes or commitments from key Network Users to post bids and offers; however none of these are appropriate to include in the Network Code and should instead be used by NRAs where appropriate.

Question 46 – In your view, what would justify including LNG in the Balancing Zone in “small markets” and in short term transitional arrangements? Do you see any conflict with these reasons and the BTM to be established by the eventual Balancing Network Code?

Response:

LNG is an obvious source of flexibility. However, as soon as the re-gasified gas enters the transmission network, it automatically becomes part of the balancing system. Thus any additional measures are obsolete and would conflict with the BTM.

Question 47 – Do you agree that the tolerance used should be a price based tolerance? If not please explain your rationale and provide your preferred approach.

Response:

Yes.

Tolerances should be kept as simple as possible and only be used to offset the inability of shippers to manage their imbalances due to insufficient, untimely, or inaccurate information. Thus tolerances should be price based, i.e. shippers should be cashed out against the average market price for volumes falling within the band.

Question 48 – In your view, should the reduced exposure involve the application of an average price? If not, please explain your rationale and provide your preferred approach.

Response:

Yes, see response to Question 47.

Question 49 – Do you support the Draft Code including provisions for the accuracy of forecast information provision to ensure timely phase-out of tolerances? If yes, explain how this can be best established.

Response:

Yes. It can best be established if the provision of tolerances linked to the accuracy of demand forecasts is made mandatory, not subject to national rules (see response to Question 50).

Question 50 – Does the Draft Code provide an appropriate mitigation of risk involved in servicing NDM demand? If not, please indicate an alternative approach and its rationale.

Response:

Yes, partially.

GM&T agrees with the option of including a NDM Off-take category with a tolerance based on difference between NDM forecast and metered exit allocation.

Furthermore the tolerance could be increasing for example by one percentage point for each percentage point where the difference between the latest NDM Derived Forecast and NDM Exit Allocation exceeds 2%. This should prevent shippers from suffering from TSOs' or DSOs' inability to provide accurate offtake data

Question 51 – Do you agree that the Draft Code provides an adequate basis to support the release of surplus TSO flexibility as a stimulus to the market? If not, please explain why.

Response:

Yes.

Question 52 – Do you agree that there is merit in including a reference to Balancing Platform trades in the interim imbalance cash-out price determination part, as suggested in the Draft Code? If yes, how should the approach be formulated and what merits would it have?

Response:

Yes, partially.

The Balancing Platform must meet strict transparency and non-discrimination obligations and predominantly STSPs should be traded there, in order to reference the interim imbalance cash-out price to trades on such a platform, which would reflect the TSO's balancing costs during the gas day. A proxy for a market price should be an equitable option for the interim imbalance cash-out price determination.

Question 53 – Are there any other interim steps that should be considered beyond those envisaged in the table above?

Response:

No.

Question 54 – Are there any specific ENTSOG monitoring and reporting activities that should be explicitly captured in the Balancing Network Code. If so, please identify them and their rationale.

Response:

No.

GENERAL ISSUES

Question 55 – Do you consider that the level of detail in the Draft Code, as it has been tailored according to the topics treated, is appropriate for EU legislation? If not, please explain why with reference to specific topic chapters (articles, paragraphs, etc.).

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Question 56 – After reviewing and/or replying to Chapter 5 which follow, do you find that there are other material issues that ENTSOG should consider as it develops the Balancing Network Code?

Response:

Yes.

Another material issue not covered is that of the timing of initial allocation data (Article 31. (1) a)), which should be provided as early as possible. Article 31. (1) a) should thus read: “the TSO shall provide the relevant Network Users with an initial Daily Imbalance Quantity accompanied by sufficient supporting information on the day following Gas Day D, and only where this is technically and operationally not feasible the TSO might, *subject to approval of the relevant NRA, and after stakeholder consultation and for a maximum of two (2) years after this Network Code has come into force*, provide an initial Daily Imbalance Quantity no later than three (3) Business Days after Gas Day D;”

Question 57 – Do you find that this supporting document for the public consultation was ‘respondent-friendly’ in terms of its readability, style, etc.? Please explain how we can improve future consultations.

Response:

Yes, the supporting document was very ‘respondent-friendly’ and extremely helpful to understand ENTSOG’s motivation.