EFET European Federation
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Davide Volzone

Adviser, Transparency

**European Network of Transmission System
Operators for Gas (ENTSOG)**

Avenue de Cortenbergh 100
1000 Brussels
BELGIUM

Monday, 11 November 2013

Dear Mr. Volzone,

Re: EFET letter to ENTSOG on Transparency Platform (Gas-roads)

Accurate and timely information provision by the regulated Transmission
System Operators (TSOs) is increasingly important for the successful
development of the liberalised European gas market and the efficient delivery
of supply security. Information on the physical status and efficiency of the
system is necessary to enable all market participants to assess the overall
demand and supply situation and identify reasons for fluctuations in the
wholesale price. The European Federation of Energy Traders[1] recognises that
ENTSOG continues to develop the gas-roads platform to try to deliver
improvements in data provision to market participants. So far, however, the
data provided does not achieve the minimum standards set out by EU
regulations let alone satisfying the well-known aspirations of many companies
that buy and sell gas in the transmission grids.

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[1] The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading
in open, transparent, sustainable and liquid wholesale markets, unhindered by national borders or other
undue obstacles. We currently represent more than 100 energy trading companies, active in over 27
European countries. For more information, visit our website at www.efet.org.

Our suggestions for the next phase of gas-roads development for release in 2014 is that information is presented on the basis of each Virtual Trading Point (VTP) or market area where these have been established. Thus a user of gas-roads would be able to select the VTP of interest and would see all its Interconnection Points (IPs) whether or not these are at national borders[2]. Eventually gas-roads should show all the 'relevant points' as defined in the EU regulation. It would be helpful if ENTSOG would confirm that all IPs will be included in the 2014 release of gas-roads and clarify the timescale for including any other 'relevant points'. The information for each VTP or market area and its IPs that would be provided should include:

- Near real-time gas flows updated, as a minimum, on an hourly basis;
- Daily and within day available capacity;
- The physical amount of gas in the system (linepack) and hourly updates of the end of day linepack;
- Main gas quality parameters updated on an hourly basis;
- Aggregate system balancing information updated on an hourly basis.

We realise that the national gas markets in Europe are not at the same stage of development, and this presents challenges for any system or process that is implemented EU-wide. In the more developed markets flow information updates every few minutes are essential for efficient response, while in other parts of Europe hourly updates are sufficient for now.

Throughout the development of the Capacity Allocation Mechanism (CAM), Balancing and Interoperability Network Codes, ENTSOG emphasised the importance of such information to the development and efficient functioning of gas wholesale markets. It is vital therefore that ENTSOG uses its best endeavours to ensure that all of its members provide this information quickly and are motivated to improve the transparency and efficiency of their markets. Our experience is that the accuracy and reliability of data provision has in many cases been inadequate. To resolve this ENTSOG Members need to develop a culture of continuously striving for high quality data provision via robust and user-friendly systems.

Also, as recognised by Regulation (EU) No 1227/2011 (REMIT), information which is required to be made public in accordance with Regulation (EC) No 715/2009, including guidelines and network codes adopted pursuant to it, may serve, if it is price-sensitive information, as the basis of market participants'

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[2] Currently gas-roads platform does not provide data at several important Interconnection Points within countries: for example Gernsheim, Steinitz, Reckrod.

decisions to enter into transactions in wholesale energy products and therefore could constitute inside information until it has been made public.

Our invitation for you, or any of the ENTSOG transparency team, to meet with our Members, remains open. As you know, we were disappointed that none of the ENTSOG teams was able to meet with over twenty of our Members when they came to Brussels in early September. Unfortunately, none of the primary members of the EFET Gas Committee will be available to attend your stakeholder workshop as this clashes with our next meeting on 11 December in London. However, you would be very welcome to be our guest when the whole Gas Committee meets again in The Netherlands in early February, or if that were not convenient for you then a smaller meeting with our Information Group could be arranged. Please contact the new Gas Committee secretary Aygul Avtakhova (a.avtakhova@efet.org) to make the necessary arrangements.

Finally, I would like to say that we agree with you that ENTSOG should play a central role in facilitating information provision by Europe's TSOs. But the service should not be designed to satisfy only the minimum legal requirements related to obtaining access to transmission grids. ENTSOG's gas-roads platform has a wider role to ensure that information provision by all TSOs, including the disclosure of inside information, meets the needs of market participants. We sincerely hope that the focus for the next phase for gas-roads will be to deliver a framework that satisfies customer requirements and encourages all TSOs to provide accurate and timely information for the benefit of everyone involved in the European gas market.

Yours sincerely,

Dr Colin Lyle
Board Member and Gas Committee Chair
European Federation of Energy Traders