



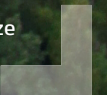
Annual work programme 2015

implementing the internal
market for gas

**ENTSOG – A FAIR
PARTNER TO ALL!**



Image courtesy of Latvijas Gaze



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1

Introduction

Executive Summary

ENTSOG's primary objectives for 2015

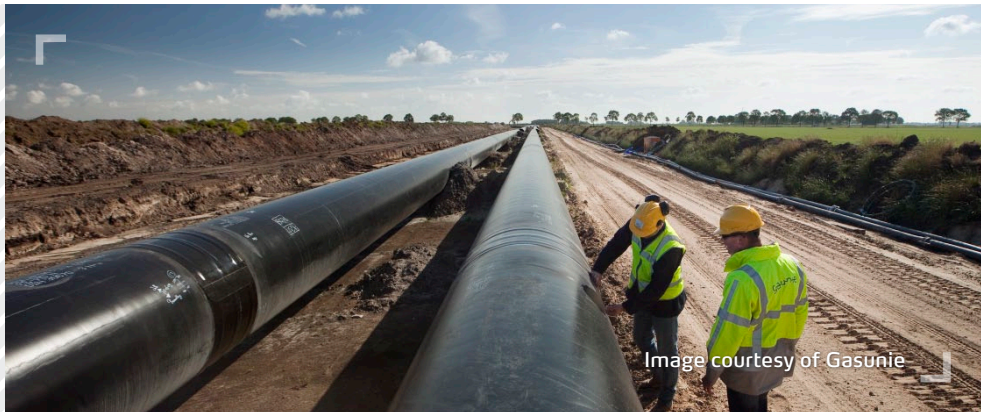
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Executive Summary

ENTSOE was created in December 2009 to start work prior to the implementation of the Third Energy Package.

On March 3rd 2011 ENTSOG formally submitted its Articles, Rules and list of members to the Commission and the Agency. The final Articles of Association and Rules of Procedures were approved and submitted to ACER and EC in 2012.



This 2015 Annual Work Programme (AWP) is based on the agreement found between EC, ACER and ENTSOG on the Three Year Plan and on the results of the consultation amongst stakeholders run by the European Commission.

The Three Year Plan will be continuously developed in the future to deliver a plan of activity for the following years to Stakeholders in order to allow all the interested parties to find the necessary resources needed for the development of the plan and the finalisation of the internal market.

The Annual Work Programme is based on Network Codes development and on other important activities such as the Ten Year Network Development Plan, Gas Regional Investment Plans, Summer Supply Outlook and Winter Supply Outlook and on all other activities necessary for the implementation of the internal market.

ENTSOE has found a good balance with regard to the need for internal resources and the contribution from the members to meet the challenges ahead, particularly those defined in the draft 2015 AWP.

Close attention will be given to the development of renewables (including “biomethane”) and other energy sources in order to prepare solutions for the future in cooperation with all the other relevant organisations (ACER/EC/ENTSO-E).

ENTSOG's primary objectives for 2015

ENTSOG now has all of the EU Member States in its membership, but it is still growing in terms of the attendance of Third Countries as Observers to the association. This in line with ENTSOG's continuous process of discussion with the Third Countries and is in the spirit of cooperation with all of the neighbouring countries.

ENTSOG will closely follow the development of renewable energy sources and the implications for natural gas in terms of becoming the preferred back up fuel thus also helping to achieve the targets for the EC environmental policies.

ENTSOG will also work in cooperation with ENTSO-E, EC and ACER to prepare possible scenarios for the integration of renewables as well as the possible use of gas in power generation.

During 2015, the Brussels based staff will work together with the Members in order to ensure ENTSOG can deliver its obligations as defined in the Third Package as well as from the growing expectations of further inputs to other processes and activities.

Image courtesy of Plinovodi



ENTSOG's work will focus on the following areas:

▲ Trialling ENTSOG's processes and procedures

ENTSOG's Articles of Association and Rules of Procedure will always be under review in order to maximise any opportunity for streamlining the current processes in line with the experience of activity carried out in the past years. A possible enlargement of the number of Members in ENTSOG could be foreseen and the number of Observers will presumably also increase.

▲ Trialling of the Third Package code development process

During 2014 ENTSOG has worked on the network code on Harmonised Transmission Tariff Structures for Gas and the amendment of the CAM Network Code to include incremental and new capacity both of which will be delivered to ACER by 31 December. ENTSOG will contribute within the Comitology Procedure before the adaption of the above mentioned network codes.

As in previous years, ENTSOG will continue to keep up the spirit of cooperation with all the stakeholders.

ENTSOG has continuously proven to have well organised work with regard to all its network codes. The Project Plans have been successful both in timing and in the organisation of the Stakeholders Joint Working Sessions which provide opportunities for discussion and debate on aspects of the network codes.

This approach is therefore a cornerstone of the organisation of the activity of ENTSOG.

It is important to mention for 2015 that the first TYNDP integrated with the Cost Benefit Analysis methodologies will be applicable from May 2015 for the definition of the PCI list. It will be the first application of the methodology and ENTSOG is ready to support the stakeholders and the project promoters in this phase.

▲ Specific ENTSOG projects

Activity in CAM and Balancing Network Codes:

- The early implementation of these network codes will simplify the activity of the implementation phase and will prepare for it.
- Early implementation and the implementation of these two network codes will be a focus for ENTSOG in 2015 in order to prepare the market for the application of the network codes.
- The strict cooperation with ACER, in order to avoid duplication of tasks and overlapping of activities, will be essential for the preparation of this activity.
- The presumable early implementation of the Network Code for Interoperability will also be one of the activities for the implementation of network codes in early 2016.¹⁾
- Also for this network code, cooperation and coordination with ACER is necessary to streamline the processes.
- Activities in ENTSOG linked to "Investment" and "Transparency" will contribute to the improvement of the documents delivered to the Stakeholders. The third phase of the Gas Regional Investment Plans and the report on the Transparency guidelines will produce new documents which will increase co-operation with all the Stakeholders and provide better results for the internal market.

1) Timing to be defined after winter 2014 (Gas Committee process)



ENTSOG Project Plan

2 General Area

General ENTSOG Activity

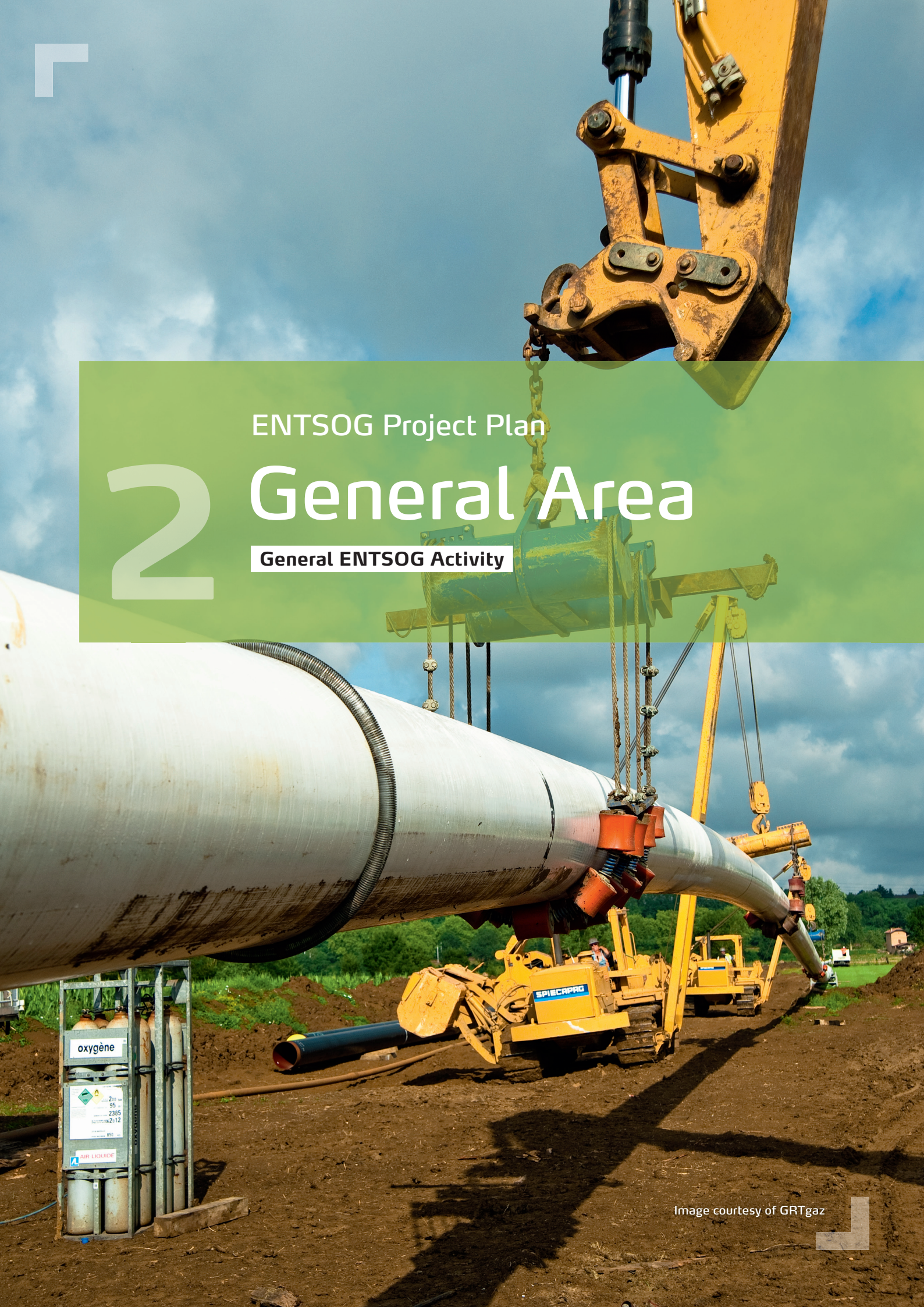


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General ENTSOG Activity

BACKGROUND

This project is necessary to fine tune the structure of ENTSOG in the light of the experience gathered in the previous years and to deal with the implementation phase of the network codes.

OBJECTIVE

- ▲ To confirm ENTSOG's formal functioning as the organisation envisaged to promote TSOs' co-operation and progress towards a single European energy market.
- ▲ To enhance the ENTSOG team to be able to ensure appropriate resourcing to deliver all requirements placed upon ENTSOG.

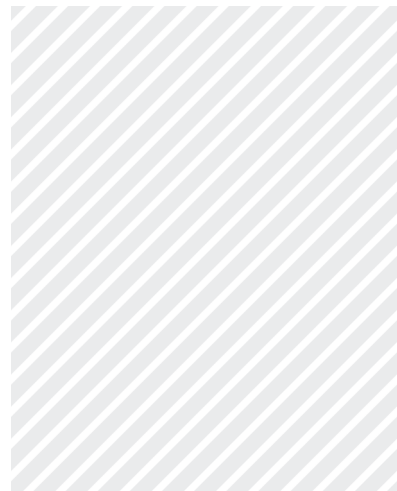
ENTSOG ACTIVITIES FOR 2015

ENTSOG's activities for 2015 will be in line with the Three Year Plan and the consultation launched by the European Commission to the stakeholders.

It is anticipated that ENTSOG will be involved in the finalisation of the Network Code on Harmonised Transmission Tariff Structures for Gas and the amendment of the CAM Network Code related to incremental capacity and new capacity after the reasoned opinion from ACER (foreseen in the first quarter of 2015). It will also be involved within the Gas Committee process before the adaption of the above mentioned network codes. Additionally, it will be involved in the preparation of the implementation phase of the Balancing Network Code and the implementation phase for the Capacity Allocation Mechanism Network Code.

The work on the Ten Year Network Development Plan 2015–2024 started late in 2013 after the workshops dedicated to gathering all the comments from the stakeholders. In 2014 more workshops were held, dedicated to the CBA methodology and the new TYNDP that will be published in the first quarter of 2015. After the publication, a workshop will be held and subsequently the document will be sent to ACER for its opinion. This work will make up a large part of the activity that will be carried out by the System Development Area Team.

Detailed information can be found in the relevant sections of this document.



ENTSOG ESTIMATED ACTIVITIES 2014 – 2015

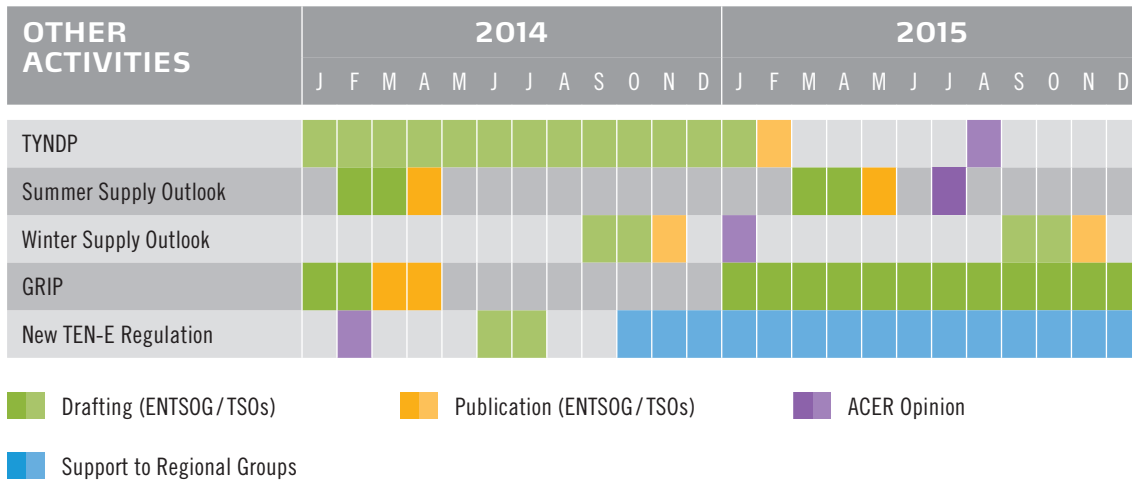
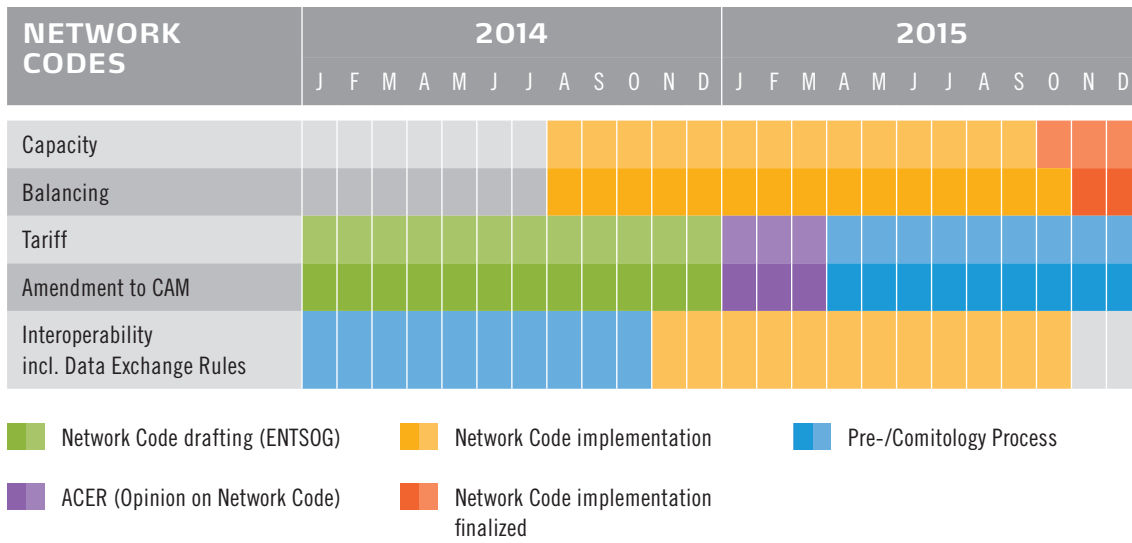




Image courtesy of Snam Rete Gas

ENTSOG RECRUITMENT PLAN FOR 2015

ENTSOG's commitment to deliver the documents foreseen by the three year plan and to actively promote with all the Stakeholders all the action needed to achieve the targets embedded in the Third Energy Package requires a well prepared recruitment plan in order to enable ENTSOG to be able to deliver all the requested activity.

The ENTSOG Team in Brussels has thirty five persons on duty in December 2014 and a replacement plan started in the previous year to replace the seconded persons whose contract came to the end.

In year 2015 the number of people necessary for ENTSOG will be the same as for the previous year but presumably a change in the skillset of the resources will be done in order to cope with some different activities foreseen.

ENTSOG STAFF	31. 12. 2014	31. 12. 2015
General Manager	1	1
Business Area Managers	3	3
Advisers	22	22
Junior Advisers	5	5
Senior Assistants	3	3
Junior Assistant	1	1
Total	35	35

KEY DELIVERABLES FOR 2015

- ▲ ENTSOG will publish an Annual Report on its 2014 activities in Q2 2015.
- ▲ ENTSOG will deliver the Annual Work Programme (AWP) for 2016 by the end 2015.

ANNUAL REPORT

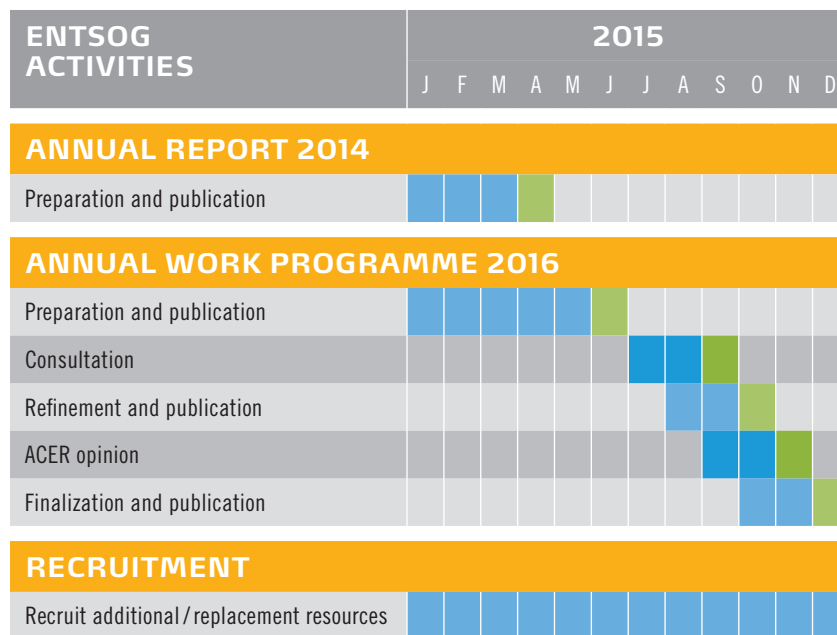
This will provide an annual update on ENTSOG's work and achievements. It will also feature an opportunity to include an assessment of delivery against the 2014 AWP.

ANNUAL WORK PROGRAMME

An ENTSOG Annual Work Programme is required by the Third Package: it is aligned with the Commission's Three Year Plan and allows all the interested stakeholders to prepare for the activity in the following years. Thereby, ENTSOG also fulfils its requirements prescribed by the Third Energy Package.

This plan features a possible timeline which will need to be confirmed once the Commission's timeline for the Three Year Plan is finalised.

The following diagram shows the expected timeline and key activities for the project:



Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders



3

ENTSOE Project Plan

Market Business Area

- Capacity Activity
- Balancing Activity
- Tariff Activity





Capacity Activity

OBJECTIVE

- ▲ To support the implementation of the Capacity Allocation Mechanisms network code (CAM) and the Congestion Management Procedures (CMP)
- ▲ To deliver the Incremental Proposal (INC) and to assist during the phases towards adoption
- ▲ To monitor the implementation of the capacity related binding rules
- ▲ To propose or assist the development of any modification proposals that may be necessary on the implemented NC

BACKGROUND

The EC's guidelines on Congestion Management Procedures have entered into force and most aspects of the rules have been implemented since October 2013, and others by July 2016.

The Capacity Allocation Mechanisms network code entered into force November 2013. The implementation date will be November 2015.

The Incremental Proposal, consisting of a CAM NC amendment and a section of the Tariff NC, will be published by 31 December 2014, after which time ACER will give its reasoned opinion and the EC will start comitology procedures.

ENTSOG has an involvement in the development of these legislative documents and supporting (early) implementation as well as monitoring.

The Capacity workgroup will support these activities and will continue to provide assistance to other ENTSOG streams, in order to ensure a consistent approach regarding capacity issues when designing future network codes or amendment proposals covering different but interlinked areas.

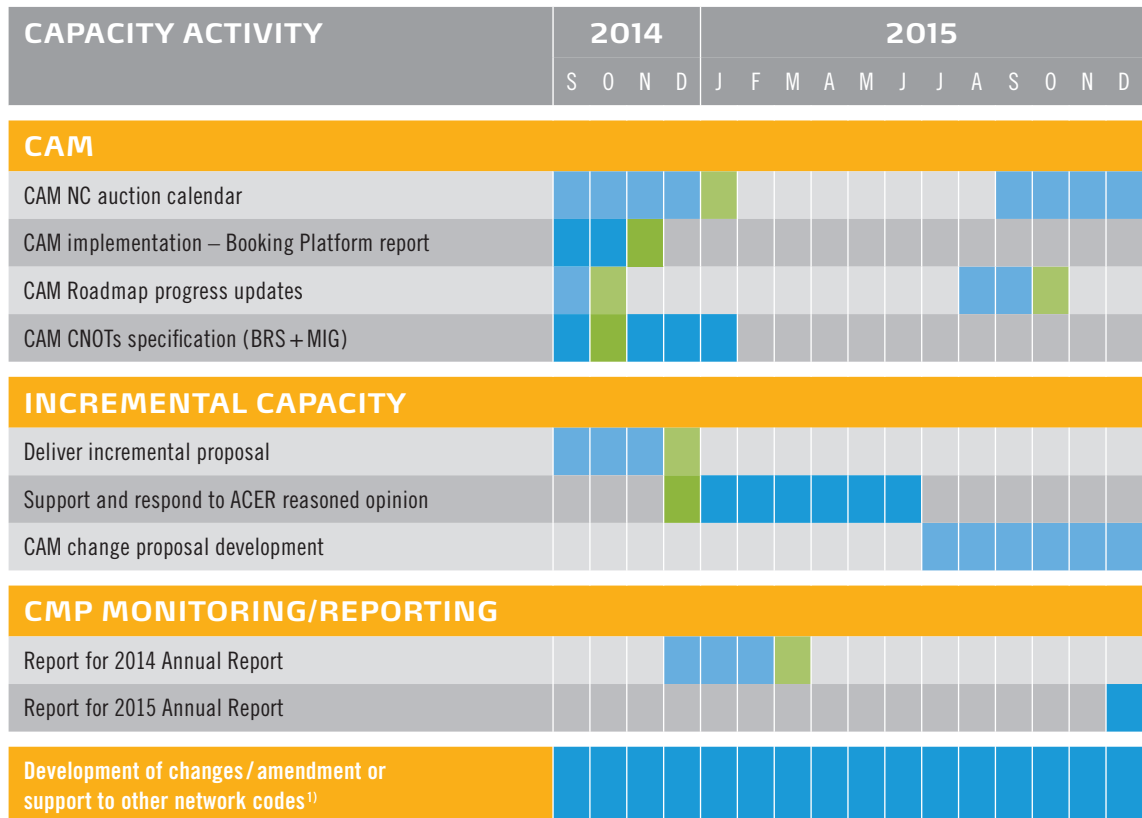
KEY DELIVERABLES FOR 2015

- ▲ CAM Roadmap update (Autumn 2015)
- ▲ CAM NC Auction Calendar
- ▲ Incremental Proposal (INC) adoption process
- ▲ CMP Monitoring/Reporting



PLAN

The following diagram shows the expected timeline and key activities for the work within the ENTSOE Capacity stream in 2015:



Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders

1) We have assumed a scoping phase for changes/amendments to be initiated during second half of 2014. Might include changes/amendments initiated by capacity trading rules or identified cross-border capacity contract issues. Might also be relevant for the BAL NC.

Balancing Activity

OBJECTIVE

- ▲ To propose or assist the development of any modification proposals or Business Requirement Specifications (BRS) to the Balancing Network Code (BAL NC) that may be necessary.
- ▲ To support and assist in the implementation of the BAL NC
- ▲ To monitor the implementation of the BAL NC (from 1 Oct 2015).

BACKGROUND

The BAL NC was approved by the European Parliament in early 2014 and was published in the European Journal on 26 March 2014. The code entered into force on 16 April 2014 providing a deadline for implementation on the 1 October 2015. TSOs can apply for a 1-year extension until 1 October 2016. For those TSOs who apply for interim measures, the deadline for full implementation is 16 April 2019.

In 2015, ENTSOG will be involved in supporting the implementation and monitoring of the BAL NC.



KEY DELIVERABLES FOR 2015

- ▲ Balancing Business Rules Specification requirements and message definition proposals
- ▲ Early implementation progress updates in cooperation with ACER
- ▲ Support of early implementation projects
- ▲ Monitoring of the implementation of the Balancing Network Code

PLAN

The following diagram shows the expected timeline and key activities for the project:

BALANCING ACTIVITY	2014				2015												
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Refinement of BRS for nominations and message activity	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Green	Grey	Grey	Grey	Grey	Grey	Grey
Other BRS areas (if any)	Grey	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Green	Grey	Grey
Implementation support	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Review processes of early implementation	Blue	Green	Grey	Grey	Grey	Grey	Grey	Grey	Blue	Blue	Blue	Blue	Blue	Blue	Green	Grey	Grey
Monitoring	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Blue	Blue	Blue

Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders





Tariff Activity

OBJECTIVE

To provide support for the comitology process for the Network Code on Tariffs (TAR NC).

To discuss possible amendments of the TAR NC and produce a TAR NC for re-submission if needed.

To discuss any implementation questions raised by members, included those related to the economic test for incremental and new capacity.

BACKGROUND

The TAR NC will be submitted to ACER by 31 of December 2014. ACER will then have three months to consider whether the TAR NC is in line with the TAR FG and to produce a reasoned opinion on the network code.

If the TAR NC is deemed to be not in line with the TAR FG then ENTSOG may be asked to amend the TAR NC before it is submitted to the Commission for comitology. ENTSOG will provide support during the comitology process for the TAR NC.

KEY DELIVERABLES FOR 2015

- ▲ Providing support for the Tariff comitology process.
- ▲ Provide support to members in terms of preparing for the implementation of the TAR NC.



Image courtesy of Gas Connect Austria

PLAN

TARIFF ACTIVITY	2015											
	J	F	M	A	M	J	J	A	S	O	N	D
Discussion with ACER during the period when they will produce a reasoned opinion on the TAR NC	Blue	Blue	Blue	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey	Grey
* If the TAR NC is returned to ENTSOG on the basis that ACER deems it not to be in line with the Framework Guidelines then a period of internal discussion (estimated at 3 months) could be necessary to produce a TAR NC for resubmission	Grey	Grey	Grey	Blue	Blue	Blue	Grey	Grey	Grey	Grey	Grey	Grey
* Resubmission of the TAR NC to ACER after incorporating possible changes based on an estimated internal discussion period of 3 months	Grey	Grey	Grey	Grey	Grey	Green	Grey	Grey	Grey	Grey	Grey	Grey
Support during the TAR NC comitology period (the timing of the comitology period is dependent on the outcome of ACER reasoned opinion and any subsequent process)	Grey	Grey	Grey	Grey	Grey	Grey	Blue	Blue	Blue	Blue	Blue	Blue
Discussion between the TAR WG and the CAP WG/INC AKG regarding the economic test for incremental and new capacity	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Support to other working areas	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue

Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders



ENTSOG Project Plan

4 System Development Business Area

Investment Activity





Investment Activity

OBJECTIVE

- ▲ To meet expectations of market participants regarding the assessment of infrastructure-related market integration¹⁾ and its contribution to meeting the pillars of the European Energy Policy (competition, sustainability and security of supply), as well as the assessment of the European supply adequacy outlook through modelling of the integrated network and development of supply and demand scenarios.
- ▲ To support the investment process starting from gap identification through to the coming on-stream of the respective infrastructure remedies.
- ▲ To support Commission and Member States through the Gas Coordination Group in the assessment of European Security of Supply.
- ▲ To support the Regional Groups, established by the Commission, in the process of selection of Projects of Common Interest by providing the technical background and methodologies.
- ▲ To provide support to institutions and stakeholders regarding the understanding of gas infrastructure and demand and supply development.
- ▲ To develop ENTSOG skills and tools to sustain the achievement of the above objectives.
- ▲ To continuously improve the quality of these activities and to provide high added value to all stakeholders.

KEY ENTSOG DELIVERABLES FOR 2015

- ▲ Union-Wide Ten Year Network Development Plan 2015
- ▲ Summer Supply Outlook 2015
- ▲ Summer 2014 Review
- ▲ Winter Supply Outlook 2015–2016
- ▲ Winter 2014–2015 Review

KEY TSO DELIVERABLES UNDER REGIONAL COOPERATION WITHIN ENTSOG

- ▲ Third edition of Gas Regional Investment Plans (GRIPs)

1) This term has been introduced in ENTSOG TYNDP 2013–2022 in order to describe a physical situation of the interconnected network which, under optimum operation of the system, provides sufficient flexibility to accommodate variable flow patterns that result from varying market situations.

BACKGROUND

The above mentioned deliverables reflect ENTSOG obligations under Regulations (EC) 715/2009 (3rd Energy Package), (EU) 994/2010 (Security of Supply) and (EU) 347/2013 (Energy Infrastructure Guidelines). The seasonal Reviews show ENTSOG's commitment to transparency while providing market participants with analysis of actual situations and helping in the identification of European trends.

All these deliverables aim at developing an integrated vision of the European gas market and in particular its infrastructure component. This integration is of particular importance when short-term and long-term trends seem to contradict each other (e. g. current predominance of coal in power generation) or when the pillars of the European Energy Policy are perceived to be in competition rather than in synergy.

ASSUMPTIONS

Reports published by ENTSOG since 2010 have enjoyed continuous improvement recognised by the market. Stakeholders' expectations have nevertheless been rising together with new requirements coming from new legislation.

ENTSOG is committed to further improvement and will consult stakeholders on how to best address this.

ENTSOG notes that to be able to develop high-quality reports, it is essential to get an in-depth understanding of stakeholders' expectations and to have access to data beyond TSOs' remit. Thanks to stakeholders feedback on ENTSOG proposals some acknowledged improvements were implemented such as assessment of the infrastructure role in market integration and the approach to gas imports.

The development of the CBA methodology and associated data set was largely based on stakeholders' support in order to provide a robust framework to the second PCI selection. It will be particularly important to check with the involved parties, the adequacy of the methodology and data, whilst bearing in mind the purpose of the Regulation.



Image courtesy of Open Grid Europe

DELIVERABLES

Deliverable 1: Union-Wide Ten Year Network Development Plan 2015

During the year 2014 ENTSOG will have developed its fourth TYNDP covering the 2015–2035 time horizon. This report will be based on:

- ▲ ACER opinion and public consultation related to the 2013 edition
- ▲ The inclusion of an Energy System-Wide Cost Benefit Analysis (CBA) according to Regulation (EC) 347/2013 (New TEN-E Regulation)
- ▲ ACER and European Commission opinion on the CBA methodology
- ▲ Feedback collected through six Stakeholder Joint Working Sessions organized between January and May 2014

The report will assess the extent to which the level of development of gas infrastructure will contribute to infrastructure-related market integration, security of supply, competition and sustainability. It will also provide the most comprehensive catalogue of infrastructure projects including the identification and analysis of infrastructure barriers met by promoters.

The TYNDP report will be the first published under the new TEN-E Regulation and will include all infrastructure projects that will be candidates for the second selection of Projects of Common Interest.

The report will be published by February 2015 in order to enable an early selection of the second list of Projects of Common Interest. At the same time ENTSOG will launch a 3-month public consultation in order to measure the extent to which the report meets stakeholders' expectation in addition to identifying the direction of improvement for the fifth edition.

The report, together with the analysis of the public consultation, will then be formally submitted to ACER for opinion. In parallel, ENTSOG will submit the report to European Commission in order to highlight any expected infrastructure in the coming years under Regulation and also to outline any planned investment projects in energy infrastructure.

Deliverable 2: Elaboration of Summer Supply Outlook 2015

ENTSOG will build on the experience gathered since 2010 taking due account of ACER opinions and stakeholder feedback. The report will benefit from the latest development of IT/R&D activities in the fields of modelling, supply and demand approaches. It will assess the ability of the European gas infrastructures to provide flexibility, while enabling shippers to fill storage in preparation of the winter. This report does not intend to forecast market behaviour, but to assess the level of service provided by infrastructures considering the latest trends in supply and demand

As for all Supply Outlooks since 2013, ENTSOG will ask Commission and Member States through the Gas Coordination Group which specific situations they want to be assessed.

Deliverable 3: Elaboration of Winter Supply Outlook 2015–2016

ENTSOG will build on the experience gathered since 2010 taking due account of ACER opinions and stakeholder feedback. The report will benefit from the latest development of IT/R&D activities in the fields of modelling, supply and demand approaches. It will assess both the possible evolution of UGS inventory along different winter cases as well as the resilience of the European gas infrastructures under peak conditions. This report does not intend to forecast market behaviour but to assess the level of service provided by infrastructures considering the latest trends in supply and demand

As for all Supply Outlooks since 2013, ENTSOG will ask Commission and Member States via the Gas Coordination Group which specific situations they want to be assessed.

Deliverable 4: Elaboration of Summer 2014 Review

ENTSOG will deliver a description of the behaviour of the gas market during the summer months of 2014 on the basis of the observed daily gas flows and prices. It will provide the opportunity to investigate the short term demand and supply trends and especially the dynamic of the gas demand for power generation. The analysis will cover any relevant event taking place during the period.

This analysis will then be factored in the R&D plan for further improvement of ENTSOG approach for future deliverables.

Deliverable 5: Elaboration of Winter 2014–2015 Review

ENTSOG will deliver a description of the behaviour of the gas market during the winter months of 2014-2015 on the basis of the observed daily gas flows and prices. It will provide the opportunity to investigate the short term demand and supply trends and especially the dynamic of the gas demand for power generation. The analysis will cover any relevant event taking place during the period.

This analysis will then be factored in the R&D plan for further improvement of ENTSOG approach for future deliverables.

SUPPORTING ACTIVITIES

Supporting activity 1: Gas Coordination Group (GCG)

ENTSOG will keep the European Commission and Member States updated about all ENTSOG activities related to security of gas supplies. ENTSOG will also follow upon any tasks given to it by GCG.

Through this channel and when preparing Supply Outlooks, ENTSOG will continue to encourage Member States to propose particular cases to be considered.

Supporting activity 2: Regional Groups under the Energy Infrastructure Guidelines

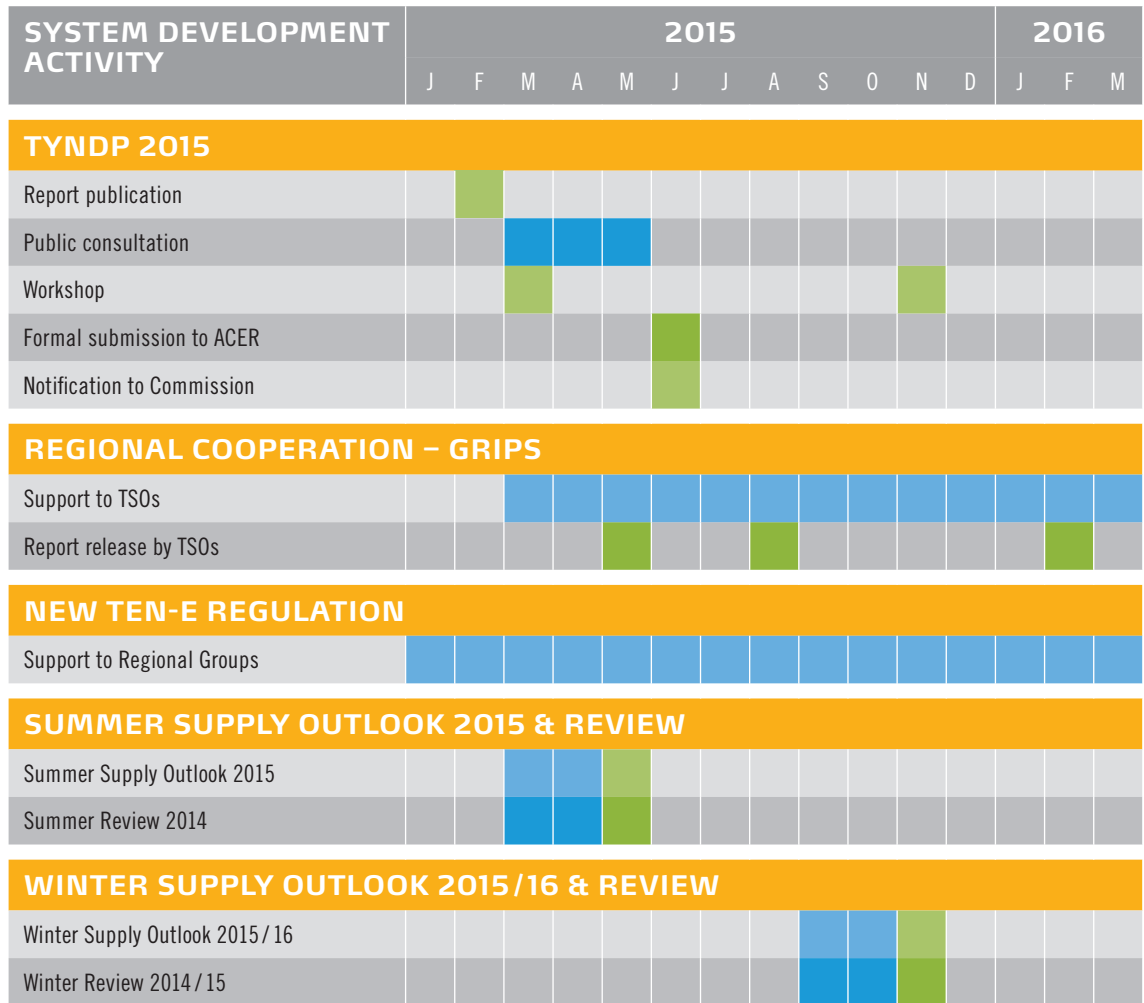
ENTSOG will participate in and support the work of the Regional Groups established by the Commission in the task of selecting and monitoring PCIs.

Supporting activity 3: GRIPs: TSOs regional cooperation within ENTSOG

ENTSOG will continue to support TSOs in the drafting of the third edition of Gas Regional Investment Plans. This support will aim in particular at ensuring that ENTSOG TYNDP and GRIPs are consistent and complementary. It will cover the centralisation of data processing, the modelling of the European gas system and the common layout of the reports.

PLAN

The following diagram shows the expected timeline and key activities for the project:



Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders



Image courtesy of Swedegas



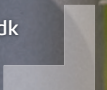
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ENTSOG Project Plan

System Operation Business Area

Transparency Activity

Interoperability Activity





Transparency Activity

OBJECTIVE

- ▲ To contribute to enhanced transparency regarding the activities of transmission system operators in Europe.

KEY DELIVERABLES FOR 2015

- ▲ To further enhance ENTSOG's New Transparency Platform with functionalities for providing and presenting data to market participants/stakeholders as requested by Reg. 715 as well as to further improvements in data quality provided by TSOs and the frequency of data uploads.

BACKGROUND

In line with AWP 2013, ENTSOG upgraded its previous voluntary-based Transparency Platform in autumn 2013 so that it is in-line with amended annex 1 of Reg. 715. Furthermore, in autumn 2014, ENTSOG is going to introduce a completely new platform offering more flexibility for data uploading for TSOs and enhanced user-friendliness for stakeholders.

ACHIEVEMENTS AND ISSUES ARISING TO DATE

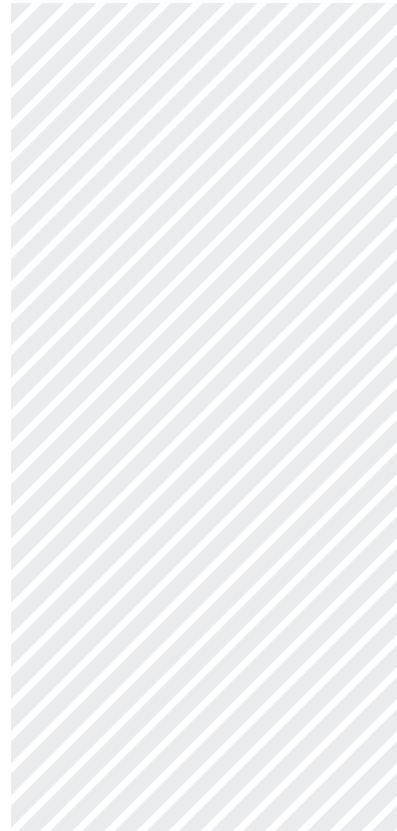
ENTSOG, together with its Members, planned a project necessary for implementing the New Transparency Platform, in order to increase the provision of information to market participants and to enhance the user-friendliness of the Platform.

Furthermore, ENTSOG has been organising public and internal workshops on Transparency. The workshops focus on the transparency guidelines and their implementation, further development of ENTSOG's Transparency Platform as well as its functionalities and REMIT.

In comparison to 2013, the Transparency Platform statistics show a remarkable increase of the use of the Platform by market participants/stakeholders: the number of visitors has been five times higher than in 2012.

ASSUMPTIONS

ENTSOG's Transparency Platform is considered to be a useful source for information by stakeholders and market participants. Since 1 October 2013, all TSOs are obliged to publish the data foreseen in the Transparency Guidelines on the Platform. ENTSOG is aware that there is always room for improvement, particularly with regards to data quality and the frequency of uploads. ACER recommended in its report 'Monitoring of Gas Transparency requirements' (9 April 2013) measures for improving TSOs' transparency, which are the basis for further discussion within ENTSOG.



ACTIVITIES

Activity 1

Implementing new functionalities in the New Transparency Platform that can provide additional information to market participants/stakeholders as well as improving data quality and frequency of uploads.

Activity 2

Follow-up of reporting provisions as well as the data collection processes for TSOs and ENTSOG under REMIT. ENTSOG will support TSOs during the implementation of further reporting obligations.

Activity 3

Follow-up and implementation of transparency obligations arising from NC BAL; NC INT and NC TAR, and liaison with relevant ENTSOG WG in order to identify synergies in fulfilling these obligations.

Activity 4

Public Transparency Workshop to be organised in 2015 in order to receive feedback from Stakeholders.

PLAN

TRANSPARENCY ACTIVITY	2015											
	J	F	M	A	M	J	J	A	S	O	N	D
Additional tools in the New Transparency Platform	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Green	Grey	Grey	Grey
Transparency workshop: preparation and organization	Grey	Grey	Grey	Grey	Grey	Grey	Blue	Blue	Green	Blue	Grey	Grey
Improvement of TP data quality	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Improvement of TP data frequency uploads	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
REMIT follow-up and implementation	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Green	Green
Liaise with ENTSOG BAL/INT/TAR WG for new TRA requirements	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue

Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders

Interoperability Activity

OBJECTIVE

The main objectives for the ENTSOG Interoperability Working Group (INT WG) for 2015 are:

- ▲ To support the Members in the implementation of the Network Code on Interoperability and Data Exchange rules (INT NC).
- ▲ Support in the phases of scoping and framework guidelines development of new technical network codes, if requested (i.e. operational procedures in an emergency, energy efficiency)
- ▲ To follow-up on the processes related to gas quality standardisation
- ▲ To develop and maintain existing common network operation tools to support the implementation of the Data Exchange rules developed in the Network Codes
- ▲ To make recommendations related to the coordination of technical cooperation between Community and Third Country transmission system operators
- ▲ To operate the Local Issuing Office for Energy Identification Coding scheme

The Interoperability Working Group is furthermore providing assistance to other ENTSOG Working Groups, in order to ensure a consistent approach regarding interoperability and data exchange issues when designing network codes covering different but interlinked areas.

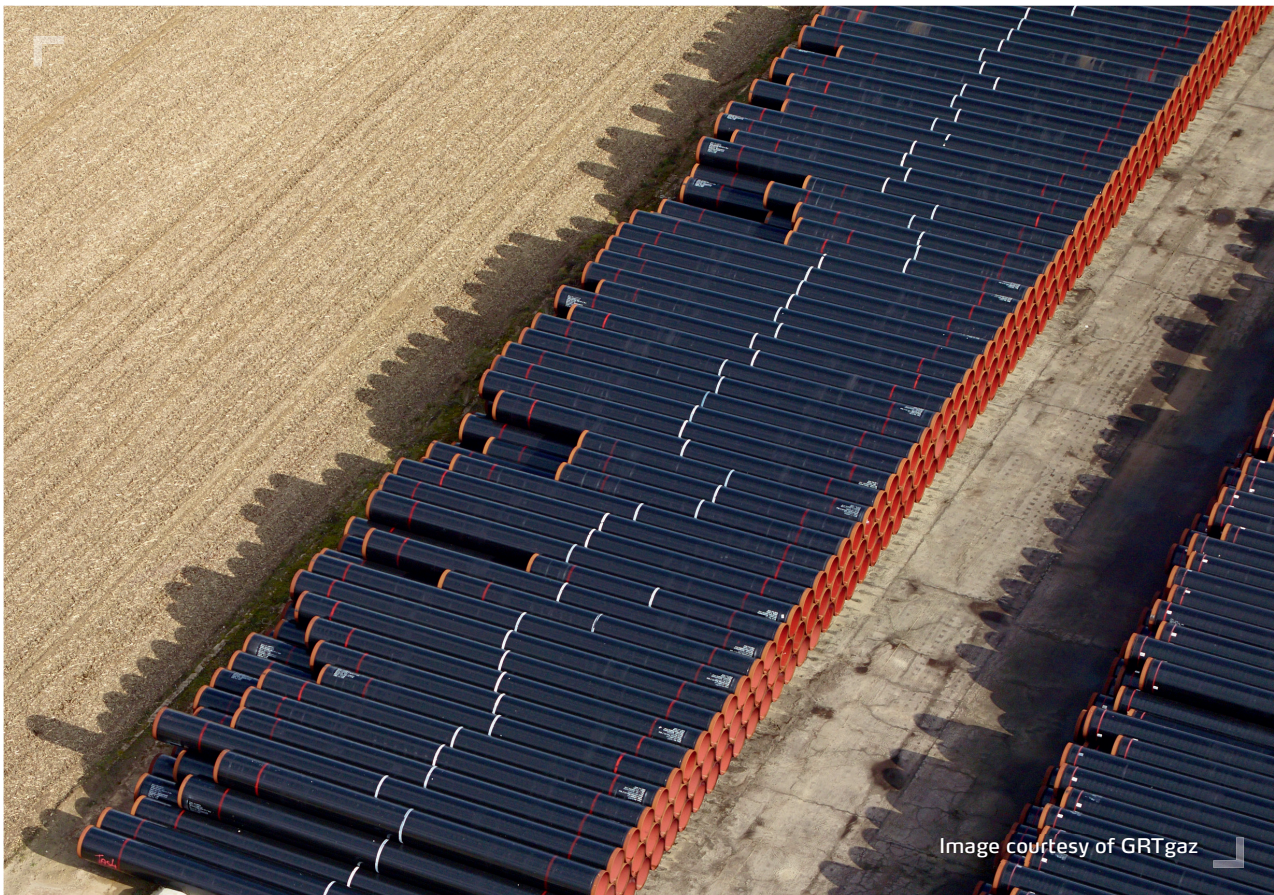


Image courtesy of GRTgaz

KEY DELIVERABLES FOR 2015

The following deliverables will be produced during 2015:

- ▲ Interconnection Agreement template (see activity 1)
- ▲ Fields of data necessary for the implementation monitoring of the INT NC (see activity 1)
- ▲ Report on the pre-implementation monitoring of INT NC (see activity 1)
- ▲ An early warning system mechanism for gas supply crises (see activity 4)
- ▲ Workshops for presenting and clarifying of INT NC rules to 3rd country TSOs (see activity 3)
- ▲ Business Requirement Specifications and Implementation Guidelines for data exchange related to the implementation of capacity allocation mechanisms network code, congestion management procedures guidelines and a workshop related to the implementation of AS4 protocol (see activity 5)
- ▲ Management of EIC Codes by weekly updates to CIO and ENTSOG website and by delivering final responses to requests within a maximum time period of 10 days

BACKGROUND

Operational, technical, communication and business interoperability is a prerequisite for the well-functioning operation and integration of the gas market. In gas transmission services, interoperability can be seen as a set of technical and operational rules that enhance cooperation among system operators and network users, thus facilitating the exchange of gas across networks. Network codes define new business processes. Interoperability and data exchange rules build the seamless interfaces between TSOs to make this a success.



Image courtesy of Fluxys Belgium

ACHIEVEMENTS AND ISSUES ARISING TO DATE

ENTSOG received the invitation from the European Commission to develop a Network Code on Interoperability and Data Exchange rules (INT NC) on 11 September 2012. Following an open process, ENTSOG developed and proposed a draft INT NC. This draft was then revised taking into account ACER's reasoned opinion and was sent to European Commission and ACER on 18 Dec 2013. The revised draft has also been recommended by ACER for adoption.

ASSUMPTIONS

ENTSOG assumes that INT NC will be adopted by comitology during 2014 and it will be applicable one year after official publication.

ACTIVITIES

Activity 1: Implementation of INT NC

Based on the version of the INT NC that will be adopted by comitology, ENTSOG shall:

- ▲ Develop and send to ACER (for its opinion) an interconnection agreement template covering the mandatory rules included in the relevant articles of the INT NC. The final template, after taking into account ACER's opinion shall be published on ENTSOG's website.
- ▲ Support its Members on the correct implementation of the INT NC.
- ▲ Define the necessary data that have to be collected for the monitoring of the implementation of the INT NC. Data regarding the implementation status before official deadline foreseen by the code will be collected by the end of 2015 and be reported in ENTSOG annual report for the year.

Activity 2: Follow-up of processes related to gas quality standardisation

This activity includes the follow-up of following processes related to gas quality standardisation:

- ▲ Standardisation process for natural gas (prEN16726 "Gas infrastructure- Quality of Gas – Group H")
- ▲ Standardisation process for biomethane (prEN16723 "natural gas and biomethane for use in transport and biomethane for injection in the natural gas network")
- ▲ Pilot Study on regional implementation of Wobbe Index proposed by CEN, led by Marcogaz and Easee-gas

Information gathered shall be distributed to the Members.

Activity 3: Development of recommendations relating to the coordination of technical cooperation between Community and Third Country transmission system operators

According to Regulation 715/2009, ENTSOG has to adopt recommendations relating to the coordination of technical cooperation between Community and Third Country transmission system operators. This activity shall focus on:

- ▲ The support of 3rd country TSOs in the adoption of business rules compatible with the ones included in the INT NC.
- ▲ The support of 3rd country TSOs in the adoption of the rules and procedures of the early warning system (see activity 4) to support TSOs with the necessary information exchange during supply crises.

Activity 4: Development and implementation of an early warning system (EWS) for security of supply crisis

Develop and implement the early warning system (EWS) for those MS TSOs that want to participate, including expert groups for the main supply corridors, where the need has been identified.

Activity 5: Development of Common Network Operation Tools – Support the implementation of the Data Exchange rules in line with the Network Codes by defining the process for the business requirements development under Reg. 715 and by supporting other Working Groups to develop Business Requirement Specifications and Implementation Guidelines for the data content format

For each regulation coming into force under Regulation (EC) No 715/2009 requiring common data exchanges solutions, ENTSOG shall develop and publish the related business requirement specification(s) (BRS) and the Implementation Guidelines (IG). For the year 2015, the related activity foresees:

- ▲ Finalisation and publication of BRS and IG for the data exchange relating to the implementation of CAM NC (Commission Regulation (EU) No 984/2013) and CMP guidelines (Regulation (EC) No 715/2009, annex I, chapter 2).
- ▲ Maintenance of exiting BRS and IG.
- ▲ The follow-up of the implementation of AS4 protocol, foreseen in INT NC, and the support of its members when necessary. An interactive workshop for all stakeholders shall be organised to discuss implementation issues and to gain experiences.

Activity 6: Operate the Local Issuing Office for Energy Identification Coding scheme

The activity shall include the management of the EIC-codes already issued or that will be issued by LIO 21 and the responsibility for the maintenance and updating of relevant pages on ENTSOG website and contacts with the CIO. Furthermore, ENTSOG shall continue cooperating with ENTSOE to further streamline and standardise the implementation of the scheme in the gas sector.

Activity 7: New technical network codes

If requested, ENTSOG INT WG shall participate in the scoping phase and contribute actively in the preparation of framework guidelines for technical network codes (i.e. operational procedures in an emergency, energy efficiency).

PLAN

The diagram shows the expected timeline and key activities for the project:

INTEROPERABILITY ACTIVITY	2015											
	J	F	M	A	M	J	J	A	S	O	N	D
Develop an interconnection agreement template, send it for opinion to ACER and publish it on ENTSOG's website				Blue	Blue	Green	Blue	Blue	Green			
INT NC pre-implementation status report					Blue	Blue	Blue	Blue	Blue	Blue	Blue	Green
Follow-up of processes related to gas quality standardisation	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Early Warning System mechanism	Blue	Blue	Blue	Green								
Recommendations to 3rd country TSOs related to INT NC	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
CNOT on CAM / CMP	Blue	Blue	Blue	Blue	Green							
AS4 implementation support	Blue	Blue	Blue	Blue	Blue	Green						
Operate the Local Issuing Office for Energy Identification Coding scheme	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue

Blue cells on the charts denote activity periods with green cells denoting key deliverables visible to external stakeholders.



Image courtesy of REN Gasodutos

ENTSOG Project Plan

6 IT and Research & Development Activity

**IT and Research & Development Activity
within System Development**



IT and Research & Development Activity within System Development

IT/R&D 1: FURTHER ANALYSIS OF GAS DEMAND

Since TYNDP 2013–2022, ENTSOG has introduced some new climatic cases in order to better describe the various correlations between gas demand and weather conditions.

The development of the CBA methodology has resulted in the development of an approach to model gas demand for power generation in relation with gas, coal and CO₂ emission prices. This method is considering various elements of ENTSO-E visions in particular the development of RES capacity and the intermittency of their load.

ENTSOG will continue to develop its approach to gas demand and especially drawing the link between high-level political orientations and daily gas demand figures that form the basis of the assessment of European gas infrastructures.

Following Madrid Forum conclusions, ENTSOG will start to work on the evaluation of the impact of demand-side measures in the assessment of European gas infrastructures.

IT/R&D 2: FURTHER ANALYSIS OF SUPPLY FLEXIBILITY

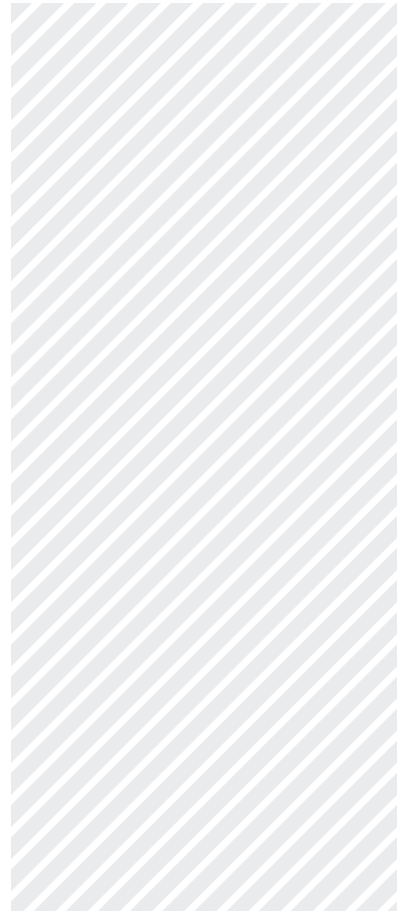
The flexibility required by intermittent power generation is mainly provided daily or intra-daily by fast-reacting flexibility sources, while the longer term fluctuations are covered by a wider range of supply sources.

Therefore, a better understanding of the daily modulation performed by the different sources in relation with their specific features – particularly the storage component – during the last few years will facilitate the evaluation of the ability of the gas infrastructures to adapt to supply patterns following the changing demand requirements in the future.

IT/R&D 3: ENTSO-E/ENTSOG JOINT NETWORK AND MARKET MODEL

ENTSOG experience in the modelling of the gas market/network has strongly developed since 2013, with the enhanced requirement for the development of CBA methodology under REG (EU) 347/2013. It is now interfaced with a data warehouse, and hence enabling a more robust and agile definition of cases to be modelled.

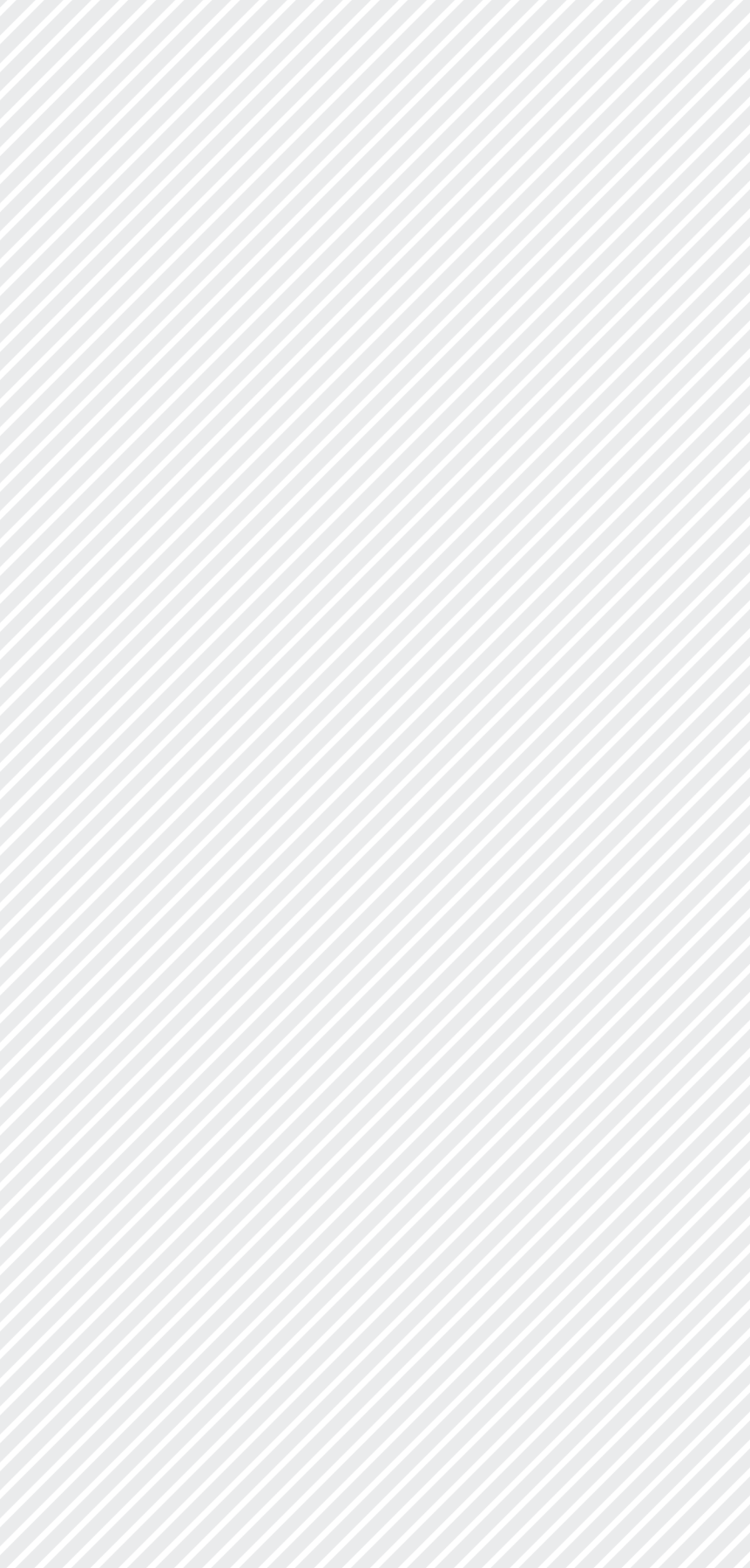
REG (EU) 347/2013 defines the obligations for both ENTSOs to deliver a joint modelling approach by 31 December 2016. For that purpose a joint task force has been established in 2014 in order to anticipate this development and also to define the most efficient approach to meet regulatory requirements.





Abbreviations

ACER	Agency for the Cooperation of Energy Regulators
AWP	Annual Work Programme
BAL NC	Network Code on Gas Balancing of Transmission Networks
BOA	ENTSOG Board
BRS	Business Requirements Specifications
CAM	Capacity Allocation Mechanisms
CAM NC	Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems
CBA	Cost-Benefit Analysis
CEN	European Committee for Standardization
CMP	Congestion Management Procedures
CNOT	Common Network Operations Tools
EC	European Commission
ENTSO-E	European Network of Transmission System Operators for Electricity
ENTSOG	European Network of Transmission System Operators for Gas
EU	European Union
EWS	Early Warning System
FG	Framework Guidelines
GCG	Gas Coordination Group
GIE	Gas Infrastructure Europe
GRIP	Gas Regional Investment Plan
INT NC	Network Code on Interoperability and Data Exchange Rules
INT WG	Interoperability Working Group
LNG	Liquefied Natural Gas
MIG	Message Implementation Guidelines
PCI	Projects of Common Interest
R&D	Research and Development
REMIT	Regulation on Energy Market Integrity and Transparency
RES	Renewable Energy Sources
TAR NC	Network Code on Harmonised Transmission Tariff Structures for Gas
TAR FG	Framework Guidelines on Transmission Tariff Structures for Gas
TEN-E	Trans-European Energy Networks
TSO	Transmission System Operator
TYNDP	Ten-Year Network Development Plan
UGS	Underground Gas Storage



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