

(refined) Draft Network Code on Balancing – stakeholder support process

SSP Response Sheet

Please complete the fields below and send via email using the subject title, “Response to the BAL NC SSP” to info@entsog.eu by 28 September 2012.

Name

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How would you describe your organisation?

<input checked="" type="checkbox"/>	Association	Verband kommunaler Unternehmen e.V. (VKU) (association of municipally determined infrastructure undertakings and economic enterprises)
<input type="checkbox"/>	End user	
<input type="checkbox"/>	Network user	
<input type="checkbox"/>	Trader	
<input type="checkbox"/>	Other	(please specify)

Question 1: Do you consider that the network code development process carried out by ENTSOG was appropriate, given the boundaries of the framework guideline? In particular, was the level of stakeholder engagement appropriate? If there is room for improvement, please inform us about possible suggestions for improvement.

Yes: <input checked="" type="checkbox"/>	No
<p>Comments:</p> <p>The network Code (NC) development process chosen by ENTSOG showed that it is possible to integrate a whole range of stakeholders in achieving a complex aim: developing pan-European binding rules. The proactive approach ENTSOG took should be an example to likewise process on a national level and encourage TSOs to implement transparent and open ways to develop framework rules in such a way: all relevant documents were publicly available, the status of the process was always clear, ENTSOG has been open for contact and input at any time, workshops could be followed by live streams, the documentation of workshops was transparent. Every stakeholder could participate at any time and ENTSOG listened to majority as well as minority opinions. Listening to all stakeholders is crucial to balance the strong influence prime movers have on the NC.</p>	

Question 2: Please complete the table below, indicating whether you support the relevant sections of the Draft Network Code on Balancing, having regard to the process carried out and ENTSOG's aim to reflect the views of the majority of users during the development process.

Chapter	I: General	II: Balancing	III: Cross-border	IV: Operational
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	Provisions	System	Cooperation	Balancing
Support	x	x	x	x
Do not support				

Chapter	V: Nominations	VI: Daily Imbalance Charge	VII: Within-day Obligations	VIII: Neutrality Arrangements
Support	x	x	x	
Do not support				x

Chapter	IX: Linepack Flexibility Service	X: Information Provision	XI: Implementation, Interim Steps
Support	x	x	x
Do not support			

Please provide brief reasoning for your responses, if you wish.

Chapter VIII:

VKU agrees with the majority of refinements in this chapter. However, VKU has concerns on Article 36 (5), in which “...the TSOs methodology for Balancing Neutrality Charges shall provide rules for a separate Balancing Neutrality Charge in respect of Non Daily Metered Off-takes”.

VKU does not see a necessity for such an obligation. Therefore, VKU proposes to change the wording from ***shall provide*** to ***could provide***.

The basic principles of the Neutrality Charge should be defined on a national level. Therefore, such a separate Balancing Neutrality Charge should be discussed with the NRA and should be consulted with stakeholders.

The cross-subsidies that are matter of concern in Variant 2 are as well existent in a system with separated Neutrality charges for NDM offtakes and DM offtakes.

Chapter XI:

VKU wants to emphasize that existing contractual rights must remain unaffected. I.e. regarding Article 49 iii), number 8 – the targets set by the regulatory authority must always regard to the contractual conditions referred to in paragraph 3 of the same article.

Question 3: Do you believe that the eventual implementation of the refined draft Network Code will enhance the functioning of the internal gas market?

Yes ☒

No

Comments:

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