

## (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](mailto:info@entsog.eu) by 28 September 2012.

#### Name

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#### Organisation

Company/Organisation Name: VOEG (Vrijhandels Organisatie voor Elektriciteit en Gas)

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Country: The Netherlands

Countries in which your organisation operates: The Netherlands

How would you describe your organisation?

<input checked="" type="checkbox"/>	Association	Association of energy companies active in the Dutch wholesale and/or retail market
<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: <b>X</b>	No
Comments: In general the process was good and transparent; there was ample possibility for stakeholder involvement. Earlier involvement in the process of ACER could provide further improvement.	

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

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

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

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

The Code should aim for maximum market facilitation within the security constraints of the gas system and it should transparently lay down rights and obligations of both TSOs as well as of market participants. In particular the balancing arrangements should not create unnecessary risks for smaller market participants and barriers to new entrants, which is of utmost importance considering the fact that the wholesale gas markets and in particular the intraday markets are normally heavily concentrated.

VOEG is of the opinion that this Code does not meet that objective. It is too much a compromise between different interests of different stakeholders and it decreases the obligations of the TSOs too much. Almost all Intraday markets have sufficient physical intraday flexibility but is in hands of a concentrated number of participants. Minimising the intraday obligations of the TSOs will pose an unbridgeable barrier to new entrants. On several aspects it is too complicated and will not result in an EU wide harmonised wholesale gas market.

For example, this Code would allow TSOs to implement unnecessary intra-day obligations resulting in suboptimal market outcomes and entrance barriers.

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: x
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Comments:

The Network Code should not just enhance the functioning of the internal gas market. Its objective should be more ambitious. It should allow for the implementation of a truly single, meaning EU-wide harmonised, gas market. The current draft Network Code on Balancing does not meet that target.

