

## Responses to CAM Network Code – stakeholder support process

### *Consultation Response Sheet*

Please complete the fields below and send via email using the subject title, "Response to the CAM NC consultation" to [info@entsog.eu](mailto:info@entsog.eu) by 13 February 2012.

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How would you describe your organisation?

|                                     |              |                       |
|-------------------------------------|--------------|-----------------------|
| <input type="checkbox"/>            | Association  | (please specify type) |
| <input type="checkbox"/>            | End user     |                       |
| <input checked="" 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.

|   |                             |
|---|-----------------------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Comments:                               |                             |

Question 2: Following the EC request to shift the day-ahead auction to the afternoon D-1, please indicate whether a day-ahead auction held from 16.30-18.00 local time in central Europe can be supported (see section 4.7 of the CAM NC).

|   |  |
|---|--|
| <input type="checkbox"/> Yes  | <input checked="" type="checkbox"/> No |
| <p>If no, please give brief reasons and state how to consider this issue:</p> <p>As regard the Italian gas system, the proposed timeline for the day-ahead auction cannot be supported due to the absence of the possibility for network users to renominate the entry points during the gas day. In our opinion the proposed shift should be implemented, in particular, only after the introduction by the Italian regulatory authority of the possibility of renominate even with reference to entry points and, in general, after an harmonization of nomination and renomination procedures among Member States.</p> |  |

Question 3: Please complete the table below, indicating whether you support the relevant sections of the CAM NC, having regard to the process carried out and ENTSG's aim to reflect the views of the majority of users during the development process.

| Section        | 1-2: Rationale and Application | 3: Principles of co-operation | 4: Allocation of firm capacity <sup>1</sup> | 5: Cross-border capacity |
|----------------|--------------------------------|-------------------------------|---|--------------------------|
| Support        | X                              | X                             | X   | X                        |
| Do not support |                                |                               |   |                          |

| Section        | 6: Interruptible capacity | 7: Tariffs | 8: Booking platforms | 9-11: Legal provisions |
|----------------|---------------------------|------------|----------------------|------------------------|
| Support        | X                         |            | X                    | X                      |
| Do not support |                           | X          |                      |                        |

Please provide brief reasoning for your responses, if you wish

As already underlined in previous consultations, in general, we do not share the proposal to apply a reserve price for capacity auctions, especially with regard to the allocation of short-term capacity products. In fact, we believe that setting a reserve price goes against market-based principles and the concept of market value for capacity.

We believe that splitting auction revenues proportionally to the reserve prices of capacities of each involved TSO, arises the critical concern connected to the presence of different tariff mechanisms between adjacent member states and the consequent risk of distortive behaviours, that might lead TSOs to hoarding auction revenues. We suggest a possible evaluation of implementing this mechanism only after the entry into force of Network Code's rules regarding harmonised transmission tariff structures.

<sup>1</sup> Please consider article 4 except the day-ahead suggestion which is tackled already above.