


**ACER**

 Agency for the Cooperation  
of Energy Regulators

# **Congestion Management procedures implementation: update on progress**

EU Stakeholders Group  
**18 September 2013**

## Background

- **Ongoing discussions at national and European levels between the TSOs and the NRAs**, including via the Gas Regional Initiatives in order to ensure consistent implementation of the CMPs at IPs.
- **Work of ACER on CMP implementation**
  - **Survey developed by ACER with ENTSOG** in February-March 2013 and presented at the April Madrid Forum → Identification of main implementation issues.
  - **ACER “issues paper”** published in August 2013 → Non-binding guidance for NRA (Discussed during CMP Associations Roundtable in June 2013).
  - **2<sup>nd</sup> Implementation survey** in July-August 2013

## ACER Issues paper 1/2

- **Aim**

- Identification of areas requiring harmonized/coordinated decision at a cross-border level for an efficient implementation of the CMP guidelines → avoiding diverging interpretations at national levels
- Interpretation of the CMP provisions in combination with the CAM network code.

- **Main statements for coordinated implementation at IPs**

- Efforts from the TSOs to coordinate and offer the capacity made available by the CMPs as bundled products where possible.

## ACER Issues paper 2/2

- **Oversubscription and Buy-back**
  - TSOs cooperate on the **determination of the level of technical capacity** at the IP.
  - The **aggregated offer of technical and OS capacity** should aim for consistency on an IP.
  - Agreement on the **design of the BB procedure** between the adjacent TSOs.
  - BB should be market based → founded on the **willingness of the shipper** to sell its capacity back to the TSO.
- **Capacity surrender**
  - Agreement between the TSOs on **the timing and measures** allowing the shipper to get its non-reallocated capacity back.
  - **Priority rule for reallocation** (time stamp vs prorata).
- **LT UIOLI**
  - Need to agree between adjacent TSOs/NRAs on **withdrawal of bundled products**.

# Implementation survey

## July-August 2013

- **Aim:**
  - Monitoring progress of implementation
  - Ensuring that respective measures are implemented in a consistent manner across IPs as well as in a wider EU context (CMP Issues paper)
- **Survey shared with ENTSOG**
- **Responses received from 19 countries.**
- **Survey conducted ahead of implementation deadline → Results shown today do not necessarily represent final implementation.**

# Implementation survey

## Main results

- **Implementation work is ongoing in all EU countries.**
- **In most cases, general implementation of the surrender and long-term UIOLI.**
- **Oversubscription & buyback (OS & BB) :** will probably be applied in FR, BE, UK, SI, IE, CZ, ES, IT, NIR, HU, GR, NL.
- **Firm day-ahead UIOLI** in AT, DE, PL → OS & BB will not be applied pursuant to 2.2.3 (6).

# Implementation survey

## Main results

- **Main elements of OS&BB Systems**
  - Most TSOs start as a first step with overselling **day-ahead and/or within products**
  - In some countries, overselling on **monthly and longer term products as of 1<sup>st</sup> of October**.
- **Mitigation of high buy-back costs either by**
  - Cap on buy-back price
  - Less additional capacity offered
- **Additional capacity is considered as the same capacity product as firm technical capacity in most countries.**
- **Cross-border discussions ongoing for the implementation of convergent mechanisms.**

# Implementation survey

## Main results

- **Surrender of capacity**
  - Surrender paid with network charges in most cases (**no additional fee**).
  - Most countries use FCFS (time stamp) as a **reallocation rule of the surrendered product**. Only a few propose pro-rata.
  - Ongoing work at IP level to agree on the measures allowing the shipper to get **back its non-reallocated capacity**.
- **LT UIOLI**
  - Decision on whether **conditions for withdrawal** are met either by NRA or TSO.



## Conclusion

- **Need to have a common agreement on several areas for applying CMPs on bundled products →** work developed in the issues paper.
- **Interaction between CAM and CMP requirements**
  - **Need to take into account the interim period** between the CMP implementation deadline (1st October 2013) and the application of CAM (as of 1st Nov. 2015).
  - **Experience with CMP mechanisms to be assessed in parallel to NC CAM early implementation →** Amendments to national CMP implementation may be necessary.
  - **Cross-border coordination** will continue → in order to implement convergent mechanisms for bundled products

## Next steps

- **ACER to prepare monitoring of congestions at IPs according to 2.2.1.3 of the CMP Regulation.**
- **General ACER implementation monitoring (after implementation deadline).**
- **Further work on the issues paper.**