

Press Release

ENTSOG publishes its Capacity Conversion model

(Brussels, PR0140-17) ENTSOG today publishes its Capacity Conversion model for unbundled capacity contracts in line with Article 21 of the amended CAM NC (Regulation (EC) 2017/459).

The Capacity Conversion model developed by ENTSOG allows for a non-discriminating, free-of-charge conversion service for annual, quarterly or monthly firm capacity products. The model may be beneficial for those Network Users who hold mismatched unbundled capacity at one side of an interconnection point, to prevent additional charges being applied to Network Users for capacity they already hold.

The CAM NC required that this model be finalised by 1 October 2017, following a consultation process with stakeholders and the Agency for the Cooperation of Energy Regulators (ACER). As of 1 January 2018, Transmission System Operators must implement a conversion service based on the model developed by ENTSOG.

This Capacity Conversion model is based on the conversion mechanism described in ENTSOG's recommendation paper on issues related to bundling of capacities and possible solutions, published on 31 July 2015. This paper was developed in close cooperation with Network Users and by undertaking consultation with all stakeholders, including ACER and National Regulatory Authorities. Most recently, improvements have been made to the previous mechanism proposal so that the detailed Capacity Conversion model could be developed. To finalise the Capacity Conversion model, feedback from stakeholders was considered after a public consultation process took place in April and May 2017, followed by consultation with ACER in May and June.

The Capacity Conversion model can be accessed here.

Upcoming steps:

 Transmission System Operators to develop the Capacity Conversion service based on ENTSOG's model;



• By 1st January 2018 all Transmission System Operators to offer the Capacity Conversion service at their Interconnection Points.

Should you require any further information please contact:

- Jan Vitovsky, Subject Manager, Capacity (+32 2 894 5123, <u>Jan.Vitovsky@entsog.eu</u>) or
- Maria Jost, Advisor, Capacity (+32 2 875 5104, Maria.Jost@entsog.eu)

Editorial notes

- > ENTSOG was founded on 1 December 2009 in line with Regulation (EC) 715/2009. The current number of Members, Associated Partners and Observers can be found at this link.
- > In line with Articles 6, 7 and 8 of the Regulation (EC) 715/2009, ENTSOG has the task of formulating network codes in a number of areas and of adopting various communications: a non-binding community-wide Ten-Year Network Development Plan on biennial basis; Winter and Summer Supply Outlooks; common network operation tools; recommendations relating to the coordination of technical cooperation between community and third-country-TSOs; annual work programmes and annual reports.