



ENTSOG's view on Commission's CMP Guideline Proposal

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Restriction of re-nomination rights

- TSO data suggests that proposed restriction of re-nomination rights will have a negative effect on shippers and end users
 - Shippers make extensive use of re-nomination at a wide range of IPs, beyond limits proposed in CMP guideline
 - Potential security of supply issues in electricity
 - Small shippers disproportionately affected
- The following slides show examples of actual re-nomination behaviour
- Data is confidential and should be treated as illustrative

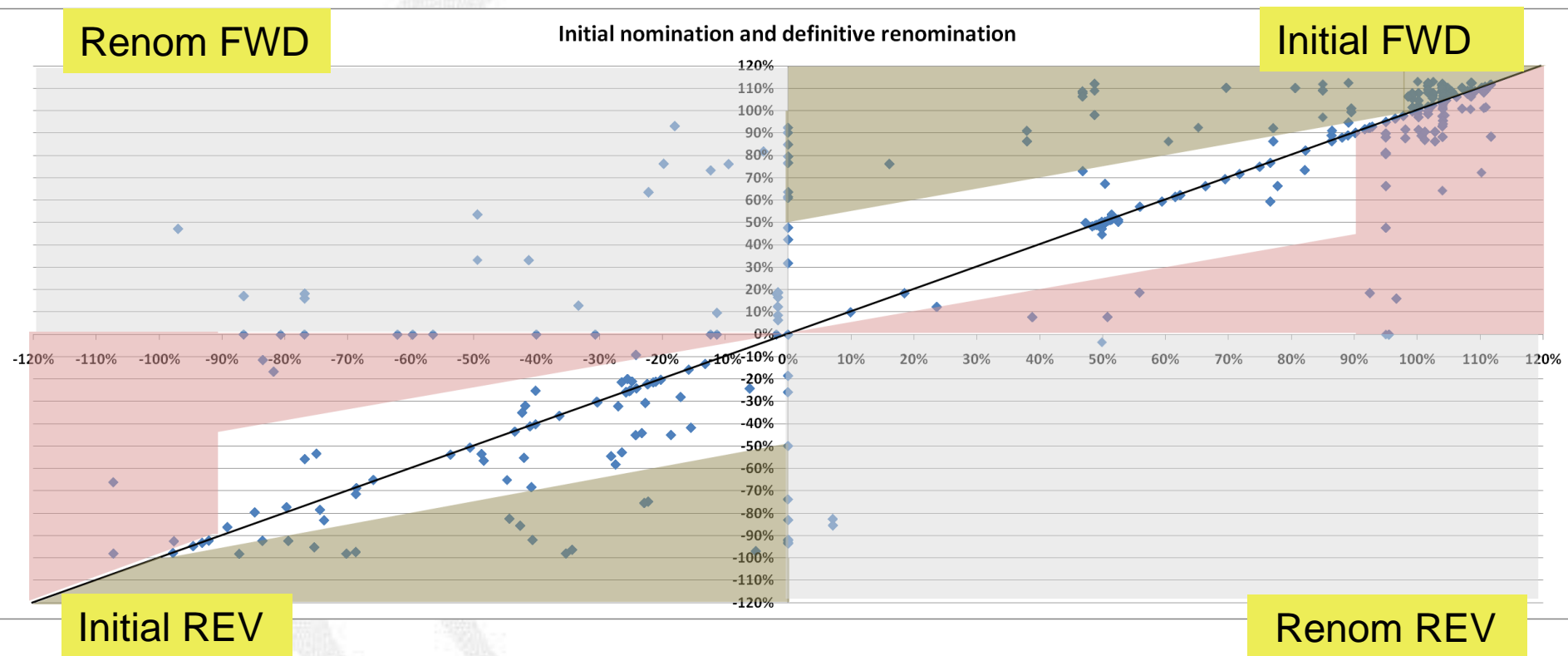
Data shows that shippers make use of re-nomination rights to provide flexibility

Data shows potential effect of restrictions: TSO 1

Scatter diagram¹

x axis: initial nominations²/subscribed capacities³

y axis: definitive nominations/subscribed capacities



¹ period: 1/12/2009-28/2/2010 – 1 point equals 1 observed day behavior of 1 shipper over 1 IP (undisclosed information)

² both domestic and border-to-border transmission

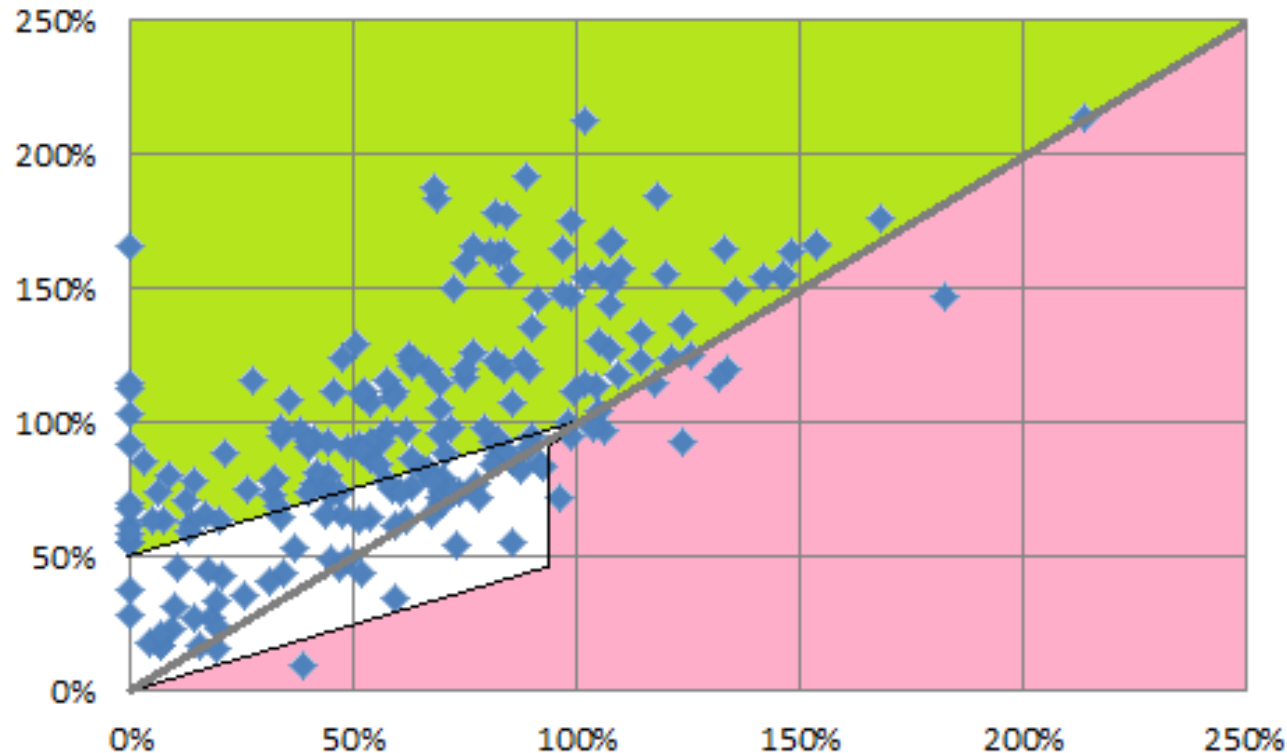
³ firm capacities

Red = downwards restriction
Green = upwards interruptible

Data shows potential effect of restrictions: TSO 2

x axis: initial nominations/subscribed capacities

y axis: definitive nominations/subscribed capacities



Period: October 2010 – April 2011. 1 point equals 1 observed day behavior of **all shippers** over 1 IP. One direction only shown.

Red = downwards restriction
Green = upwards interruptible

Data shows potential effect of restrictions: TSO 3

Shipper	Time	Nomination/re-nomination (% of booked capacity)	Downward restriction
1	DA 2pm	0%	
	DA 11pm	45%	
	WD 6pm	47%	
2	DA 2pm	0%	
	DA 10pm	14%	
	WD 5pm	53%	
3	DA 2pm	31%	
	DA 10pm	0%	-99%
	DA 11pm	0%	-99%
	DA 3am	0%	-99%
	WD 2pm	0%	-99%
	WD 5pm	5%	-84%
	WD 8pm	5%	-84%
4	DA 2pm	73%	
	DA 10pm	72%	
	WD 10am	72%	
	WD 12am	72%	
	WD 1pm	72%	
	WD 5pm	72%	
	5	DA 6pm	0%
DA 6pm		14%	
DA 6pm		41%	
DA 10pm		32%	
6	DA 2pm	62%	
	DA 10pm	59%	
	WD 8pm	55%	
7	DA 2pm	99%	
	DA 10pm	21%	-79%

Date: 15 February 2011. Table shows nomination/re-nomination behaviour for individual shippers at one IP.

Shipper with CCGT customer

Small shipper with single large industrial customer

ENTSOG supports market-based solutions

- Measures introduced by CAM NC (e.g. reservation of 10% of capacity for short term) will already lead to more available ST capacity
- Complementary, market-based CMPs (e.g. voluntary overbooking by TSOs) will also help
- Additional market-based measures (e.g. development of secondary market) may be effective in freeing up further capacity.
- A well designed oversubscription and buy-back incentive scheme could have significant benefits
 - Enable TSOs to maximise firm capacity offer above technical capacity

Market-based measures can address congestion issues
without distorting shipper behaviour

Thank You for Your Attention

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