ENTSOG publishes draft network code on Capacity Allocation Mechanisms for consultation

The European Network of Transmission System Operators for Gas (ENTSOG) has today published its draft network code on Capacity Allocation Mechanisms (CAM). This code, the first to be produced under the process set out in the Third Package of energy legislation, will help to define the manner in which system users gain access to the European gas grid, so as to develop a single European gas market.

The code proposes rules in a number of key areas, including the design of harmonised auctions for capacity products of various durations, the bundling of cross-border capacity, the development of booking platforms, and the alignment of interruptible capacity. It also includes interim tariff provisions, to enable auctions to be implemented before a new European tariff framework is developed.

The draft code has been delivered by the deadline set out in ENTSOG’s ambitious project plan for the CAM network code, keeping the organisation on track to deliver a final code by January 2012, in line with the challenging 12 month timescales prescribed by EU regulations. A representative of the European Commission said on Monday in Brussels, “The Commission is happy with ENTSOG’s approach to developing the first network code and appreciates the involvement of stakeholders and the timely management of the process so far”.

Although the publication of the draft code marks the start of the official consultation period, ENTSOG has already held extensive discussions with stakeholders during its development. Most recently, all market participants were invited to take part in four Stakeholder Joint Working Sessions held during April and May 2011 to debate key issues. Views received during these sessions have fed into the draft code.

Stephan Kamphues, ENTSOG President, said, “The publication of the draft CAM network code marks an important step towards the development of harmonised Europe-wide rules for gas transmission. Stakeholders’ involvement has been crucial in enabling ENTSOG to reach this milestone. We thank market participants for their constructive co-operation which has enabled the joint success in the form of the current draft. We look forward to further discussions as we work towards publication of the final code in January 2012”.

Stakeholders are encouraged to submit responses to the draft code. To assist respondents, ENTSOG has published a supporting document explaining the key issues. Responses should be sent to info@entsog.eu by the 3rd of August 2011, using the form included in the supporting document.
ENTSOG will hold further discussions with stakeholders over the following months, and will refine the proposals where appropriate, in order to ensure that the rules included in the final network code are robust and workable.

Notes to Editors

ENTSOG was founded on 1 December 2009 ahead of the applicability of Regulation (EC) 715/2009 which foresees its establishment. ENTSOG is based in Brussels and comprises 33 members from 22 EU countries.

ENTSOG is required to define rules, the network codes, which will define the manner in which system users gain access to the European gas grid so as to develop a single European gas market.

ENTSOG maintains a register and will pro-actively notify those on the register about developments in this and other areas of ENTSOG’s work. Please write to info@entsog.eu if you would like to be included in this e-mail list.

The draft network code, supporting document and all previous work on Capacity Allocation Mechanisms, together with details of ENTSOG’s other work, can be found at www.entsog.eu.

For enquiries about the Capacity Allocation Methodology network code, please contact Frank Roessler on +32 2 894 5107 or +32 496 121 684.