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ENTSOG response on EFET letter on Transparency Platform

Gas-roads



I would like to thank you for the letter of 11 November 2013 sent to us and the suggestions for improvements regarding our planned next version of the enhanced Transparency Platform to be released in mid-2014.

Based on the common understanding as well as on the European Institutions' view, ENTSOG is doing much more regarding transparency than the minimum required by relevant regulation. Transparency Platform was established on a voluntary basis in 2009 and since then the main European Transmission System Operators (TSOs) have been providing the market with regular updates regarding their network and its access. Numerous workshops and bilateral meetings have been organized and all feedbacks received have always been taken into consideration. This platform was used as an inspiration for the amendment of the Transparency Requirements of Annex 1 to Regulation (EC) No 715/2009 (Transparency Guidelines) which establish a union-wide platform where all TSOs will be uploading transparency data on a mandatory basis.

Significant efforts have been invested by ENTSOG in accommodating the Transparency Platform to enable the TSOs to be compliant on 1st October 2013 with the amended Transparency Guidelines. In parallel, ENTSOG members had to prepare communication paths and data files' new structure to be ready to upload data. After achieving this challenging deadline, and we can once more be proud of our efficiency, ENTSOG and the TSOs continue their on-going efforts in improving the user-friendliness and usability of the ENTSOG Transparency Platform.

The result is a good example of ENTSOG's willingness to offer improved transparency. The platform is not a collection of raw data submitted by its members. Advanced search tools, interactive maps, commercial flows, favourite points' tool, download tool per point or global and operational information is a list of the extras offered. By the end of the year, the platform will also accommodate urgent market messages from TSOs (on a voluntary basis) and a full maintenance activity calendar. And all these in a very friendly way, well-appreciated by all. Continuous improvement is always in our intentions, and this is why we organise our annual transparency workshop.

Of course now it is up to the relevant European Institutions to assess if the result is in line with the regulation requirements

The platform is designed to accommodate data from all relevant points as defined in the Transparency Guidelines. But it is the responsibility of the national regulatory authorities to make sure that the TSOs correctly interpret the definition of the relevant point for their system.

Requested data granularity is well-described in the Transparency Guidelines and is based on "the smallest reference period for capacity booking and (re)-nomination and the smallest settlement period for which imbalance charges are calculated". Regarding frequency of update, this has to follow the rule "as soon as available to the system operator". These have never been disputed by the responsible parties (EC or ACER). It is thus obvious that the hourly accumulated value cannot be available before the end of the hour and the daily accumulated value not before the end of the day. Any other value (within the hour or within the day) can be considered as preliminary and unchecked, thus we cannot understand how this can support the market in taking the right decisions. For the time being we have internally agreed upon a number of guidelines which streamline and smoothen the availability of information and strive to a publication according to the smallest reference period for the different transmission models. We agree that the entry into force of European Network Codes will harmonize the information provision and accuracy over Europe.

Furthermore, ENTSOG recognizes the need to display information on the basis of Virtual Trading Points and/or market areas which has been added to the scope of the enhanced Transparency Platform.

As stated in the Transparency Guidelines, an option is given to the TSOs in publishing the amount of gas in the transmission system or the aggregate imbalance position, according to the relevance of this data for the respective transmission model. However, this data is not required to be published on the Union-wide platform (Transparency Platform) and is currently not specified as a requirement of the enhanced Transparency Platform. Nevertheless, ENTSOG keeps encouraging its members to publish the links through which

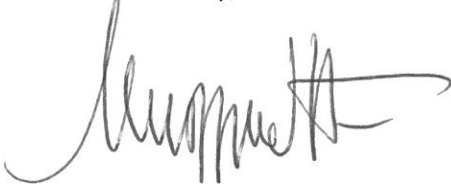
this amount of gas in the system or balancing position is made available through the individual websites.

Regarding your interpretation of inside information that falls under the provisions of REMIT, we understand that this is not in line with ACER's recommendations and the EC draft implementing acts.

ENTSOG has always proved to be a fair partner to all gas market participants. All stakeholders have in many cases expressed their satisfaction with ENTSOG's formal and informal consultation processes followed in its activity. I will perhaps have to remind you our insistence to meet with your members, even by delaying the whole project, when we were developing our automatic download tool for the Transparency Platform.

Therefore we once more say that we are open for any meeting with EFET members. But the invitations for participation have to be sent well in advance and respect the organisation's limited resources and working plan. This year's Transparency Workshop is a good example: invitation was sent two months in advance and aligning our work program with all stakeholders' calendar cannot be considered as a feasible proposal.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'V. Musazzi', with a long horizontal flourish extending to the right.

Vittorio Musazzi
ENTSOG General Manager