


ACER

 Agency for the Cooperation
of Energy Regulators

Progress report on key projects - GRI South

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Progress in main projects aligned with 2014 goals

1. CAM and CMP
2. Infrastructure
3. Transparency
4. Tariffs



1. CAM & CMP (I)

Area of work	Responsible	Starting	Deadline
Fr-Sp: annual allocation of short term capacities	TSOs	Nov.(yearly)	Dec. (yearly)
CAM harmonisation proposal (CAM pilot testing Sp-Pt borders)	TSOs	Jan. 2011	Jun. 2012
Set up a common TSO Allocation Platform	TSOs	Jan. 2011	Dec. 2014

Final goal on CAM for 2014: joint coordinated CAMs for the allocation of cross-border capacity in all the interconnections between the balancing zones in the region.

- Annual short term coordinated capacity allocation: 20% of existing capacities between **France and Spain**.

1. CAM & CMP (II)

- Project Pilot NC CAM: Annual Transmission Capacity **Auction at the VIP between Portugal and Spain** 2012-2013. Done between July and September 2012.

Countries / TSOs involved

- Spain / Enagás
- Portugal / REN-Gasodutos

Interconnection Points involved

- IP37–Valença do Minho (PT)/Tuy (ES)
- IP38–Badajoz (ES)/Campo Maior (PT)
- Single virtual point
- Bundled capacity

1. CAM & CMP (III)

- Products offered:
 - ✓ Capacity to be offered for the gas year 1st Oct. 2012 to 30th Sep. 2013
 - ✓ Existing entry and exit capacity between Spain and Portugal;

Products	Auctions
Firm Yearly Products*	Firm Yearly Products Auction
Firm Monthly Products*	Firm Monthly Products Auction
Interruptible Yearly Products	Interruptible Yearly Products Auction
Interruptible Monthly Products	Interruptible Monthly Products Auction

(*) Two flow directions: from Portugal to Spain (PT→ESP) and from Spain to Portugal (ESP→PT).

- Availability of interruptible products

No interruptible product will be offered if less than 95.00% of firm capacity, for that period and flow direction, has been allocated at the previous Firm Products Auctions.

1. CAM & CMP (IV)

- Bundled capacity:
 - ✓ Each product offered includes the **same amount of capacity**
 - ✓ Capacities allocated through a **common, single Auction Process**
 - ✓ Capacities allocated to the **same Shipper**
 - ✓ Capacities in the **secondary market remain bundled**
- Auction algorithm:
 - ✓ Single-round auction
 - ✓ One clearing price to all bidders
 - ✓ Process designed to maximize the allocation of capacity (pro-rata)
 - ✓ No IT available yet
- Price:
 - ✓ Regulated tariff in each country plus
 - ✓ Auction Premium (50/50 split)

1. CAM & CMP (V)

Evaluation of CAM progress so far

- The transition from a FCFS system to **an auction system is accepted but not welcomed by shippers**, since congestion and lack of competition were not the primary concerns.
- It implies **for shippers**: provision of financial guarantees, more planning, etc.
- **Auctions are less flexible** for shippers in Spain. Until now, under FCFS and with available capacity they could subscribe capacity for any period, from one day to several years, freely choosing the starting and end dates.
- Shippers **miss the possibility of securing “flat” capacity** for a given period.
- **At the time of applying the process there was no congestion**, so a significant level of demand was not expected (why booking through this procedure and not before, or after?).
- The pilot has been useful **to identify which regulations had to be adapted**, which documentation and processes had to be developed, and to raise awareness among shippers of the implications of the NC (bundled capacity, virtual point, standard capacity products,...).

1. CAM & CMP (VI)

Area of work	Responsible	Starting	Deadline
CMP harmonisation (pilot testing Fr-Sp)	NRAs-TSOs	Jan. 2011	Dec. 2012
CMP harmonisation (pilot testing Pr-Sp)	NRAs-TSOs	Jan. 2012	Jan. 2013

Final goal on CMP for 2014: coordinated and harmonised CMPs in all IP in the South region.

- Decision of Commission on CMP published 24 August 2012.
- A draft on long-term UIOLI, from France and Spain, was agreed last year. It will serve as the **starting point** for implementation of Regulation.

2. INFRASTRUCTURE

Area of work	Responsible	Starting	Deadline
Drafting South Regional Investment Plan 2012	TSOs	Jul. 2011	Jan. 2012

Final goal for 2014: permanent framework of cooperation between TSOs and ENTSOG for the elaboration of the Community-wide and regional investment plans.

- The **Regional Investment Plan was presented by TSOs in the region in December 2011.**
- Few stakeholders participation in Public Consultation.

3. TRANSPARENCY

Area of work	Responsible	Starting	Deadline
Supervision of compliance with the implementation of the new provisions on transparency in Regulation (EC) 715/2009, for transmission, LNG and storage infrastructure operators	NRAs	Sep. 2011	Jun. 2012

Final Transparency Report on supervision of compliance has been finished by regulators in the South region.

- Transparency Project Plan has been developed in the South region following NGRI example (adding LSOs and SSOs).
- All operators have completed the transparency questionnaires.
- Few stakeholders participation in Public Consultation.
- Individual contacts between NRAs and operators are needed to improve compliance.

4. TARIFFS

Area of work	Responsible	Starting	Deadline
CNE-ERSE joint study on tariff regimes in Sp-Pt	NRA's	2010	Dec. 2011
CNE-ERSE proposal for tariff harmonisation in Sp-Pt	NRA's	2010	Dec. 2012

Final goal for 2014: to contribute and enrich the discussions at European level, evaluate the current tariff structures and propose improvements.

- **Cross-border transmission gas tariffs between Portugal and Spain have been analysed by regulators.**
 - Public Consultation was done.
 - Final Study is published.

Thank you for your attention!



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