

(refined) Draft Network Code on Balancing – stakeholder support process

SSP Response Sheet

Please complete the fields below and send via email using the subject title, “Response to the BAL NC SSP” to info@entsog.eu by 28 September 2012.

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How would you describe your organisation?

	Association	(please specify type)
X	End user	
X	Network user	
X	Trader	
X	Other	(please specify) Power producer

Question 1: Do you consider that the network code development process carried out by ENTSG was appropriate, given the boundaries of the framework guideline? In particular, was the level of stakeholder engagement appropriate? If there is room for improvement, please inform us about possible suggestions for improvement.

Yes : X	No
<p>Comments: GDF SUEZ thanks again ENTSG for its involvement in having a dynamic drafting process, for the work done and for the possibility for stakeholders to express their views.</p> <p>We just regret that it is not possible to have an even more fruitful debate because the European Commission and ACER do not want to move away from the framework guideline even if the debate leads to a new solution or to a new drafting on some items (see next answer for instance).</p> <p>What is the legal justification for having those tight “boundaries” ?</p>	

Question 2: Please complete the table below, indicating whether you support the relevant sections of the Draft Network Code on Balancing, having regard to the process carried out and ENTSG’s aim to reflect the views of the majority of users during the development process.

Chapter	I: General Provisions	II: Balancing System	III: Cross-border Cooperation	IV: Operational Balancing
Support	X	X	X	X

Do not support				
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Chapter	V: Nominations	VI: Daily Imbalance Charge	VII: Within-day Obligations	VIII: Neutrality Arrangements
Support	X	X	X	
Do not support				X

Chapter	IX: Linepack Flexibility Service	X: Information Provision	XI: Implementation, Interim Steps
Support	X		X
Do not support		X	

Please provide brief reasoning for your responses, if you wish.

Concerning operational balancing the competitiveness of each tool through cost efficiency analysis, is an important criterium to take into account. The STSP offered by the shipper will use different mechanisms including short term supply, flexibility of contracts and storage.

We recognise and thanks Entsog for the change made about “Variant 2”, i.e. to have separate neutrality pot by end-user types. Nevertheless, GDF SUEZ is still of the opinion that **“Variant 2” should not be implemented, or only as a interim period as long as there is not an uniform implementation of a load profile methodology by all the DSO and forecasting parties, because it is against the balancing target model / the purpose of this network code (i.e. to have a shift in the balancing responsibility from TSO towards shippers)**. Indeed, the imbalance position is set based on the day-ahead forecast : shippers’ imbalance position will be small or zero whereas all the balancing actions taken by the TSO to cope with the difference between the day-ahead forecast and the real gas flow during the day will be charged to the shippers via the Neutrality charge. This will not develop within day market and, furthermore, most of the balancing cost will still be socialised between shippers supplying NDM end customers within the Neutrality charge.

Question 3: Do you believe that the eventual implementation of the refined draft Network Code will enhance the functioning of the internal gas market?

Yes : X	No
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Comments: except where “Variant 2” applies.

