

## Response Sheet for Stakeholder Engagement Document: Potential Modifications to the CAM NC Following Receipt of ACER Opinion

Please complete the fields below and send via email using the subject title, “Response to the CAM NC stakeholder engagement document” to [info@entsog.eu](mailto:info@entsog.eu) by 10 August 2012.<sup>1</sup>

### Name

First and Last Name: Amrik Bal

### Organisation

Company/Organisation Name: Shell Energy Europe Ltd

Job Title: Commercial and Regulatory Affairs Manager

### Contact details

Email: [amrik.bal@shell.com](mailto:amrik.bal@shell.com)

Tel: +44 20 7546 2460

Mobile:

### Address

Street: : 80 Strand

Postal Code: WC2 0ZA

City: London

Country: Great Britain

Countries in which your organisation operates: Pan-EU

---

<sup>1</sup> If you would like any part of your response to be treated as confidential, **please mark these sections clearly and explain why it is not possible for the information to be made public.** Notwithstanding any confidentiality undertaking upon request, ENTSOG indicates that this cannot prevent ENTSOG from disclosing all or part of the response that would be requested by a competent authority or judicial body.

---

How would you describe your organisation?

<input type="checkbox"/>	Association (please specify type)
<input type="checkbox"/>	End user
<input checked="" type="checkbox"/>	Network user
<input checked="" type="checkbox"/>	Trader
<input type="checkbox"/>	Other (please specify)

In the questions below, ENTSG would be grateful if respondents could clearly indicate their view and provide a brief justification.

### Question 1

A number of changes to the CAM NC submitted to ACER in March 2012 are proposed in sections C.1 – C.11 above. Please indicate whether you support these changes. If you do not support some changes, please indicate which changes you do not support, and why.

#### Section C.1 Definitions and Section C.2 Application of the Network Code to New Technical Capacity

Shell has no substantive comments to make other than to state support for changes in relation to:

Art 1.2 - Virtual Interconnection Points; Art 1.2 (a) - Additional Capacity; Art 1.2(f) - Capacity Contract; Art 2.3 – Standard Capacity Products; and Art 5.1(1) – Bundling of New Capacity.

#### Section C.3 Standard Contracts

In principle, standardization would be welcome. However, until greater clarity is provided and consensus achieved on what standardization means, we would not advocate any changes to the CAM Network Code with respect to transmission contracts, at least at present.

#### Section C.4 TSO co-operation

Shell supports ENTSG's proposal in response to ACER's views regarding TSO co-operation. The only caveat we would add is that the CAM Network Code should not prejudice the Interoperability Network Code.

#### Section C.5 Capacity Breakdown

We would prefer to have seen proposals that reflected the increasingly sophisticated way in which the market wishes to access and utilize capacity, ie. the ability to profile bookings. As such, there should be a commitment to make available more short-term capacity products.

Some parties have advocated a limit of 80% of capacity to be made available on a long-term basis. This is a position we would support; indeed, thought should be given to decreasing this figure further.

#### C.6 Sale of Unbundled Firm Capacity

We support the changes proposed by ENTSG.

### C.7 Amendment of Existing Capacity Contracts

The proposed change to Article 5.2 (9) - *‘The relevant national regulatory authorities may mediate between the parties affected by this article to promote such agreement’* – is not problematic per se and can be supported.

However, we are keen to stress that this does not mean Shell supports the ‘Sunset Clause’ itself.

### C.8 Interruptible Capacity

While the current ENTSG proposal appears workable, it runs the danger of being a sub-optimal outcome. In particular, Shell agrees with industry concerns regarding the impact of a maximum two hour lead-time on the ability of shippers and traders to react to an interruption, especially where there are limited sources of gas and/or an illiquid traded market.

The impact on shippers will be an increased risk of running imbalances that they cannot easily or efficiently correct. Thought, therefore, should be given to a *minimum* two hour lead time.

### C.9 Tariffs

The CAM Network Code should not prejudice the development of the Tariff Network Code (or any other). For example, it would not be appropriate to refer to tariff structure and auction revenue issues. Tariff-related references should therefore not extend beyond those contained in the Tariff Framework Guidelines.

### C.10 - Incentive Regimes; and C11 – Interim Period

We support the proposals to delete both Articles 9.2 (d) and 10.3.

### Question 2

Do you support the proposed changes to the day ahead auction timing set out in section D.1? If not, why not?

We are in favour of shortening auction processing times and therefore welcome the proposals set out in section D.1.

### Question 3

Do you support the proposed changes to the within-day auction timing set out in section D.2? If not, why not?

In particular, do you believe that a 30 minute bidding window and 60 minute nomination window are sufficient for a within-day process?

We support both aspects of the proposed changes.

#### Question 4

Do you support the proposed changes to the drafting on default interruption lead times set out in section D.3? If not why not?

See above (Q1, C8).

#### Question 5

Do you support the proposed changes to article 4.1(2) of the CAM NC, in relation to competing capacities? If not, why not?

Given the detail provided, the proposal appears reasonable.