

RWEST 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 by 10 August 2012.¹

Essen, 10 August 2012

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¹ 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, ENTSOG 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.

RWEST supports the following changes: C1, C4, C9 , C10 and C11

Regarding the other proposed changes RWEST has the following comments:

C2: Regarding capacity breakdown see C6. Regarding capacity products and bundling the request has to be seen in the context of the requested mandatory bundling of capacity which we do not support.

C3: RWEST would agree to standardize transmission contracts. But a strong stakeholder involvement is needed.

C5: RWEST accepts ENTSOG's proposal not to change the NC, because ultimately the market will decide what capacity is booked and what products are needed. We expect more and more market participants will be interested in buying shorter term capacity, and so in practice much more than 10% will be available short term based on the long term auction results. The Code also allows for the possibility of greater than 10% being set aside for short term capacity at specific interconnection points if specific circumstances require this. From this point of view we do believe that the current 10% minimum rule is sufficient, provided the CMP and CAM rules will be implemented properly too.

C6: RWEST has reservations about ENTSOG's proposed changes although its approach is preferred over the ACER proposed rolling monthly auction approach. In the first place, the Code should require TSOs to take measures to equalize capacities at both sides of an IP, for instance by changing the delivery pressure. But at some IPs, even after such measures, a significant amount of capacity may be mismatch capacity, and the product described will not offer the solution needed.

C7: RWEST supports ENTSOG's view not to change the wording. NRAs should be required to mediate upon request in order to avoid an impasse. Mandatory bundling of existing contracts remains a very contentious issue and as long as the sunset clause is included in the NC mediation will be required. As NRAs initiated the sunset clause they should not be allowed to absolve

themselves of responsibility from the disruption this will cause.

C8: RWEST agrees partially with the proposed changes. The proposed changes of the default lead time by two TSO with NRA approval may be possible taking into account that this will not lead to different solutions at each interconnection point. The harmonisation goal should stay first. Regarding the proposed shortened default lead time see question 4.

Question 2

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

Yes, RWEST supports the proposed changes in the network code regarding the shortening of the day-ahead auction window. In addition we suggest to shorten the matching and confirmation process by 60 minutes. In the Entsog proposal we miss the publication of the calculation result for the auction itself which should be published 30 minutes in advance.

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?

Yes, RWEST supports the proposed changes and we believe that a 30 minute bidding window is sufficient. As stated in previous meetings and consultations, we do believe instead of intra-day auctions a simple click and book solution is preferable.

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?

RWEST does understand the reasons for the proposed changes in the default interruption lead times. However it must be clear that a shipper will not be balanced for one or two hours, due to the current re-nomination lead times in the case of interruption. These imbalances should not be penalized for instance in systems with WDOs. It is important that the proposed rules are inline with the balancing code.

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?

Partially, the proposed change did not reflect the future zoning requirements and is offering no

solution how to proceed with such a situation in the auctioning process.

