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IMPLEMENTATION
MONITORING REPORT

BAL NC Implementation Monitoring Report

2015

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Executive Summary

The document represents the first ENTSOG Monitoring Report on the implementation of the Balancing Network Code (Report) after its entrance into force on 1 October 2015.

Based on the provisions of Article 8(8) of Regulation (EC) no. 715/2009 that empower ENTSOG to monitor and analyse the implementation of the network codes and the guidelines adopted by the Commission, the information provided by TSOs indicate that few countries have already implemented the Balancing Network Code (BAL NC) provisions while the majority of countries must still undertake larger or smaller steps in order to implement the regulation. Due to the flexibility in implementation that BAL NC allows on the national level, this report illustrates the observed differences.

- Fourteen countries reported having a trading platform in place, while two countries plan to establish one by 1 October 2016. Seven countries applied for interim measures to implement a balancing platform or an alternative to a balancing platform while two countries are planning to implement an alternative to a balancing platform in 2016.
- Fifteen countries indicated offering Short-term Standardised Products (STSPs) in first place according to the merit order while three respondents plan to implement different STSPs latest by 1 October 2016.
- Three respondents trade STSPs in adjacent zones approved by their NRAs
- Due to the absence of liquidity or keeping the system within operational limits, sixteen countries still use or foresee using balancing services.
- Twenty-three respondents except one indicated that trade notifications have been implemented with a lead-time of up to two hours.
- Nineteen countries stated to be in line with the nomination provisions while twenty-one countries indicated already having or planning to establish a standard re-nomination lead-time of two hours.
- The information provisions according Art. 32 of BAL NC are fulfilled by seventeen countries, while nineteen respondents indicated having implemented an information model, and eighteen countries have already established or are planning to establish a forecasting party.
- Fifteen countries reported the implementation of daily imbalance charge provisions as well as the publication of methodology while four respondents are planning to implement by 1 October 2016 at the latest. Of the five countries applying interim imbalance charge, three countries have already implemented while two are planning to implement during 2016.
- Sixteen countries reported the implementation and publication of methodology for calculating neutrality charges.
- One of the three WDOs is implemented or planned in five countries while the offer of linepack flexibility service is established or its establishment is being discussed in seven countries.
- Out of eleven countries applying for interim measures until April 2019 at the latest, seven implemented interim measures; two respondents only partially implemented the planned interim measures, while two other countries are planning to implement interim measures during 2016.

Implementation monitoring will continue at the next implementation deadline on 1 October 2016, while taking into account annual reviews e.g. of trading STSP in adjacent zones and interim obligatory measures as well as changes due to ongoing implementation of BAL NC provisions.

1 Introduction and Purpose

The BAL NC published on 27 March 2014 applies to balancing zones within the borders of the EU[1]. It establishes rules for natural gas balancing including network-related rules on nomination procedures, imbalance charges, settlement processes associated with daily imbalance charges and provisions on operational balancing.

Its implementation shall also account for the specific nature of interconnectors.[2] Application of BAL NC is not mandatory for countries like Cyprus, Estonia, Finland, Latvia, Luxembourg[3] and Malta that hold derogation on the basis of Article 49 of Directive 2009/73/EC.

After the request by the Forum to follow up on the early implementation status of the BAL NC at the 25th Madrid Forum (6–7 May 2014), ENTSOG (European Network of Transmission System Operators for Gas) and ACER (the Agency for the Cooperation of Energy Regulators, "the Agency"), cooperated and published two joint ACER/ENTSOG reports[4] giving an overview of the early implementation status.

In this implementation report ENTSOG continues monitoring the implementation of the BAL NC as of 1 October 2015 following Article 8 (8) of Regulation (EC) No 715/2009. Its results will be published in 2016 in the ENTSOG Annual Report 2015.

The BAL NC (Code) is applicable as of 1 October 2015 but provides the possibility to postpone its application until 1 October 2016 if allowed by the national regulatory authority ('NRA') following the TSOs justified request and in case that no interim measures are applied. Instead of fully implementation, interim measures can be implemented for up to five years[5] from the entry into force of the Code (i.e., until 16 April 2019). Such interim measures would be applied consistent with the options laid down in Chapter X of the Code as well as general principles of the Code, while all the other provisions in the BAL NC shall be implemented by 1 October 2015.

The Code adopted by the Commission, provides a high degree of flexibility to NRAs and TSOs in their national implementation, as gas networks and markets differ from each other in their characteristics.

1) Energy Community Contracting Parties will follow the Code implementation based on deadlines agreed by their Ministerial Council. The implementation of the BAL NC in these Countries is not in the scope of this report.

2) Recital (8) of BAL NC. Due to the specific nature of interconnectors, IUK and BBL implemented BAL NCon an "in=out" principle, whereby a network user's delivery nominations must equal its offtake nominations. As such, network users cannot be exposed to an imbalance and there is no need to take balancing actions. Therefore, many of the requirements of NC BAL do not apply. Where BAL does apply, e.g., relevant rules on nominations, IUK and BBL have taken all reasonable steps to ensure compliance with the requirements. This approach was approved by the relevant NRAs.

3) Luxembourg holds derogation.

4) Publication e.g., on ENTSOG website here: http://www.entsog.eu/publications/balancing#All

5) And additional five years for the case of the interim measure of a balancing platform, pursuant to Article 47(3) of the NC.

2 Information Sources and Data Collection


Image courtesy of National Grid Gas plc

Since the task of implementation monitoring is mandatory for ACER (or Agency) and ENTSOG, and in order to facilitate this process, it was decided to develop a joint process between ACER and ENTSOG in order to facilitate the collection of the data for the monitoring report of the applicable Network Codes.

For this report, information provided by TSOs in each EU country[1)] was used as a basis for the data. The majority of TSOs responded in cooperation with their respective NRAs to the online surveys for their country prepared jointly by ENTSOG and the Agency.

The surveys were sent on 11 December 2015 by ENTSOG to TSOs in 22 EU countries (AT, BE, BG, CZ, DE, DK, EL, ES, FR, HU, HR, IE, IT, LT, NL, PL, PT, SE, SI, SK, RO, UK[2)]) where the Code applies. Those countries holding derogation on the basis of Article 49 of Directive 2009/73/EC (Cyprus, Estonia, Finland, Latvia, Luxembourg and Malta) were also invited to respond on a voluntary basis. As already mentioned in the previous report, voluntary responses were received from Luxembourg and a voluntary partial response from Estonia. Thus there were 25 responses in total including one partial response to the questionnaire.

The following section presents updates to the previous report and a summary of the main results. Specific comments and explanations are shown where relevant. More detailed information from the TSOs of each country is provided in the annexes to the report.

1) For Netherlands, two replies were submitted. NC BAL is legally applicable on both TSOs GTS and BBL Company in the Dutch balancing zone. But the BBL Company is allowed by the ACM and Ofgem NRAs to continue the in=out regime, by definition no imbalances can occur on the pipeline. Therefore, only Articles not dealing with actual balancing of the grid have a practical meaning for BBL Company.
For the UK two replies were submitted. This reflects the fact that in the UK there are two balancing zones, one covering Great Britain and one covering Northern Ireland. These balancing zones are in different transmission networks and are regulated by different NRAs. In this report Great Britain will be referred to as UK GB and Northern Ireland as UK NI.

2) UK is mentioned as UK GB and UK NI due to two different balancing regimes.

3 Evaluation of Responses to Questionnaire

3.1 OPERATIONAL BALANCING (CHAPTER III OF BAL NC)

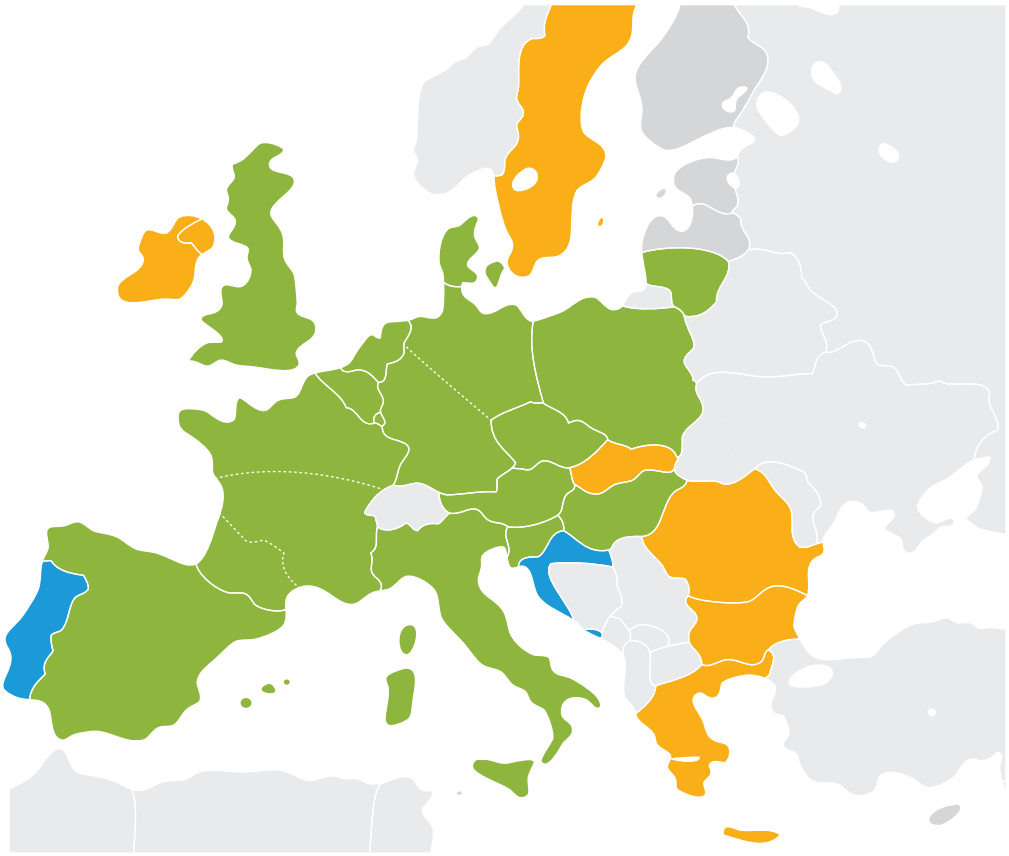
3.1.1 Trading Platform

A trading platform provides sufficient support to both the network user and the TSO to procure gas via Short-Term Standardised Products (STSPs) when balancing actions are needed.

Map 1 below illustrates that 13 countries (AT, BE, CZ, DE, DK, FR, HU, IT, LT, LU, NL, PL, SI, UK-GB) reported the implementation of a trading platform according to Article 10 of BAL NC latest by 1 October 2015.[3] From countries with the implementation date of the BAL NC as of 1 October 2016 Spain reported an update that the trading platform has been established earlier than planned in December 2015 while Portugal's and Croatia's plan of the establishment of a trading platform by 1 October 2016 remains unchanged.

STSPs may also be offered on the balancing platform, where its usage has been approved by the NRA[4].

As in the last report stated, eight respondents (BG, EL, IE[5], RO, SE, SK, UK-NI) including Estonia confirmed that a trading platform has not yet been developed. Four countries (EL[6], RO[7], SE, SK) dedicated a balancing platform for temporary use or that is planned to be used while five countries (BG, IE, EL, RO, UK-NI) reported to temporarily using or planning to use an alternative to the balancing platform. More information of those interim measures can be found in Chapter 3.9.



Implemented by 1 Oct. 2015* Planned Implementation by 1 Oct. 2016 Implementation after 2016 **

*Spain implemented a trading platform on 16 December 2015; **Countries applied Interim Measures (see Chapter 3.9)

Map 1: Implementation of trading platform for balancing by 1 October 2015

3) In Germany an additional balancing platform is in place. In Poland a trading platform is already in place for the H-Gas balancing zone. In addition, a balancing platform is for all three balancing zones in place. (See also Annex II, Table 2.8)

4) Map 10 shows the Countries where the balancing platform is currently in use or is planned to be used. (See also Chapter Interim Measures)

5) In Ireland currently there are no active trading platforms operating, although a new independent platform is expected to launch in Q1/Q2 2016. The TSO intends to monitor developments in the short term and carry out a cost benefit analysis in 2017 to determine the way forward as regards platform options.

6) Currently the operation of the balancing platform is expected within Q1/2017 in Greece.

7) In Romania the establishment of a balancing platform is expected to become operational during 2017/2018.

3.1.2 Merit Order, STSP and Balancing Services

The order of products that the TSO shall use for balancing actions is described in BAL NC as the so-called "Merit Order". When procuring balancing actions, TSOs must first use the four STSPs (title products, locational products, temporal products and/or temporal locational products) traded on a trading platform for delivery on a within-day or day-ahead basis seven days a week.

Within the STSP order, the TSO must prioritise the use of title products where and to which extent appropriate over any other available STSP and then using, if any, other balancing products or contracts ('balancing services').

Type of product	Country where it is offered on a trading platform or balancing platform	Country where it is planned to be offered on a trading platform as of 1 October 2016
Title products	AT, BE, DE, DK, FR*, HU, IT, LU*, LT, NL, PL, SI, SK, UK-GB (14)	CZ, ES, HR (3)
Locational products	AT, DE*, HR, HU, PL*, UK-GB (6)	ES
Temporal products	NL	
Temporal locational products	–	–

* For further details see Annex II, table 2.1.

Table 1: Short-term Standardised Products offered as of 1 October 2015

In Table 1, it can be seen that 14 respondents (AT, BE, DE, DK, FR, HU, HR, IT, LU*, LT, NL, PL, SI, SK, UK-GB) offered STSPs as of 1 October 2015. Eight countries (BE, DK, FR, IT, LU, LT, SI, SK) only use title products as STSP. No temporal locational products have been reported to be in use for balancing purposes. The Czech TSO reported that only title products as STSPs are foreseen to be implemented as of 1 July 2016.

From those countries where STSP are already implemented (see Table 1 above), 12 TSOs (AT, BE, DK, FR, HU, HR, LT, LU, NL, PL, SI, UK-GB) indicated to give always priority to within-day STSP, while two TSOs (DE[1)], SK[2)]) responded to procure day-ahead products before within-day products only when appropriate.

In Spain, BAL NC provisions enter into force on 1 October 2016 given within-day products priority. But the TSO will be allowed to procure day-ahead products if necessary.

Italy reported that currently the TSO is entitled to buy day-ahead STSPs on PB-GAS Platform in case storages flexibilities resources are determined not to be sufficient for tackling the following day's forecasted system imbalance. Also the new Italian regulatory framework foresees the possibility for a TSO to trade day-ahead title products in order to stimulate market liquidity.

TSOs may seek NRA approval for trading STSPs in adjacent zones as an alternative to the trading title products or locational products in their own balancing zone. Three countries (DE, PL and SK) stated that the TSO request had been approved by their respective NRA. (Further details are provided in Annex II, Table 2.6.)

Three TSOs (DE, PL and SK) book capacities in auctions as any other shippers in adjacent zones for transporting gas across border. SK stated that enough capacity is available at the concerned IP for the use of balancing actions, so the access and use of capacity at the concerned IP for network users are not limited. Germany reported already having established criteria for an annual review.

1) In Germany currently, all commodity products used by the MAMs for balancing purposes are either within day products or day-ahead products. The MAMs use day-ahead products only when a balancing demand becomes foreseeable already on a day-ahead basis.

2) In Slovakia the TSO procures only day-ahead products before within-day ones in case a day-ahead nomination of a network user would lead to significant imbalance and it is highly probably that the network user does not renominate,

The TSO is also allowed to procure balancing services in cases when STSPs are not likely to address sufficiently the needs of the market or network. Table 2 shows that 11 countries (DE, EE*, EL, FR, HR, IE, IT, LT, SI, SK and UK-NI) confirmed the possibility of already using balancing services by 1 October 2015. Four respondents (BG, CZ, ES, and PT) foresee the possibility of using them.

Balancing services	Country
Use of balancing services	DE, EE*, EL, FR[3], HR, IE, IT, LT, SI, SK, UK-NI (11)
Use of balancing services planned/ under discussion	BG, CZ[4], ES, PT[5], RO (5)
No plan to use balancing services	AT, BE, DK, HU, LU, NL, PL, UK-GB (8)

* *Estonia holds derogation.

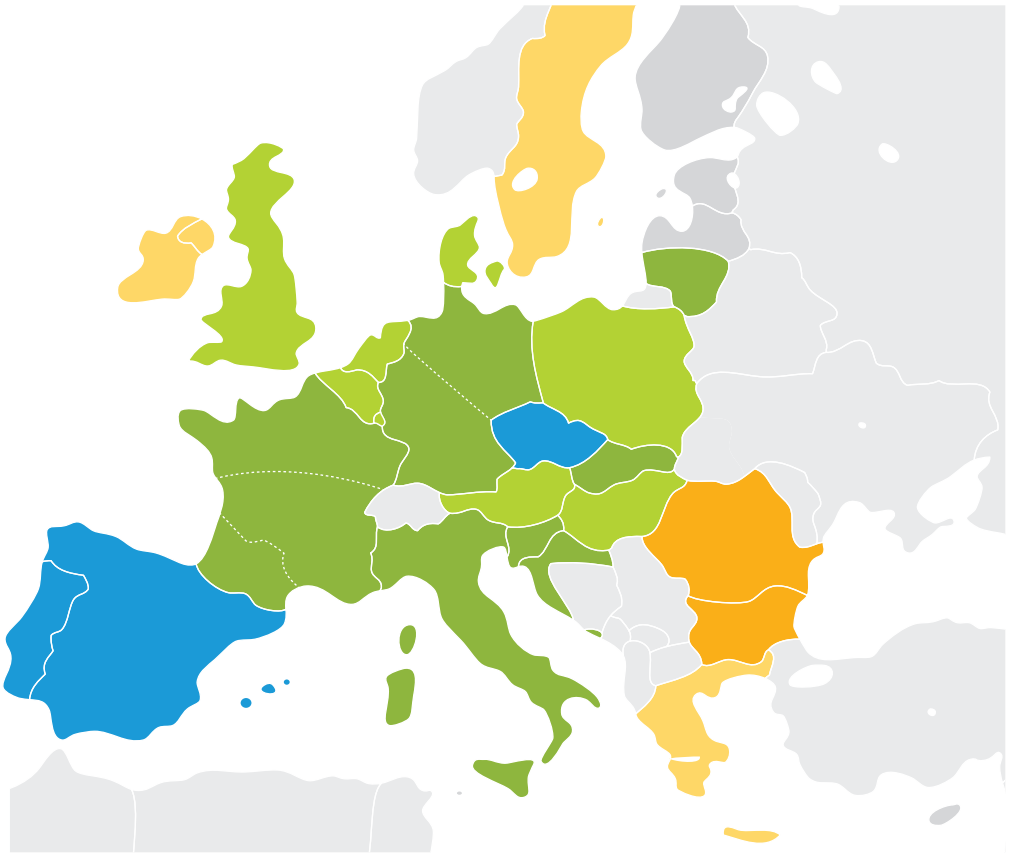
Table 2: Reported use of balancing services according to Art. 8 of BAL NC by 1 October 2015

Of those 16 countries, four respondents indicated the absence of liquidity in STSP as the reason for their balancing services while the majority (BG, EL, FR, HR, LT, PT, SI, SK and UK-NI) indicated that STSPs do not provide an adequate response for keeping the system within its operational limits. (Further details can be found in Annex II, Tables 2.3 and 2.4)

All countries except Greece and Ireland which use their balancing services as an interim measure confirmed that the balancing services taking into account the minimum characteristics as provided in Art. 8 (2) BAL NC. All countries reported to have balancing services implemented or planned, use public tender procedure except France and Italy which have currently another procedure approved by the NRA. Of the 11 respondents already using balancing services as of 1 October 2015, seven (EE*, EL, FR[6], HR, IT, LT, SK) apply only one balancing service while four countries (DE, IE, SI, UK-NI) indicated to apply two different balancing services. Most of the respondents (EE*, EL, HR, IE, IT, SI, SK, UK-NI) conclude balancing services on an annual basis while two countries (DE, LT) stated that they are concluded for periods of less than a year. Further details of balancing services are provided in Annex II, Table 2.5.

As the use of balancing services only has to be reviewed by those TSOs on an annual basis, eight TSOs (DE, EL, ES, FR, HR, IT, SI and UK-NI) have already prepared criteria for annually reviewing the volumes (after the implementation date of BAL NC).

Map 2 provides an overview of the implemented and planned use of STSP and Balancing Services according to the merit order by 1 October 2015, which has been reported by the countries.



*Greece, Ireland and Northern Ireland reported that balancing services are operated under interim measures. Sweden stated the operation of a "weekly product" under interim measures.

Map 2: STSP and balancing services in own balancing zone by 1 October 2015

3) Greece, Ireland and Northern Ireland are operating balancing services under interim measures.

4) Currently in Czech Republic a balancing service (called "flexibility service") is being used by the TSO. The flexibility service consists of borrowing/lending gas from/to a shipper (at the end of the year the gas is returned – the account is cleared to zero). It is planned to have balancing services in place according to Art. 8 BAL NC by 1 July 2016.

5) As already stated in the previous report in Portugal no provisions have been implemented so far with regard to Balancing Services, but this is a possibility that is not discarded at this point, depending, among other conditions, on the liquidity of the Iberian gas market in the near future.

6) In France balancing services are used only by TIGF.

Seven countries (BE, DE, IT, LU, NL, PL and UK-GB) already provide the published links with regard to costs, frequency and quantity of balancing actions undertaken (STSP, balancing services and STSP traded in adjacent balancing zones) which shall be published on an annual basis. (The provided links can be found in Annex II, Table 2.7).[1)]

1) In Spain the NRA's Circular implementing the Balancing Network Code by 1 October 2016 establishes that Enagas.

A summary of the implemented and planned platforms in the countries as well as balancing products used by TSOs for balancing purposes in a ranking of balancing merit order as of 1 October 2015 is given in Annex II, Table 2.8.

3.1.3 Operational Balancing of Implementation Practices

When establishing the STSPs, the TSOs from adjacent balancing zones shall cooperate in order to determine the relevant products. Eight TSOs (AT, BE, DK, FR, HU, IT, LU and PL) responded having cooperated regarding the application of STSPs. Five countries (DE, NL, SI, SK and UK-GB) have developed unilaterally STSPs or STSPs were already in place before the BAL NC entered into force while most of the countries have not yet opened discussions on STSPs with adjacent TSOs. Four countries (CZ, ES, HR and PT) are currently in the transitory period latest until 1 October 2016, while six respondents (BG, EL, IE, RO, SE and UK-NI) mentioned as a reason the application of interim measures. (Further details are provided in Annex II, Table 2.2.)

To foster the liquidity of the short-term wholesale gas market, the NRA can incentivise the TSO to undertake balancing actions efficiently or to maximise the undertaking of balancing actions through trade in STSP. Compared to the previous report, no changes have been stated regarding those five countries that reported having already implemented an incentive mechanism (AT, FR and UK-GB) or none is foreseen (ES and IT). Further details are provided in Annex II, Table 2.9.

As stated in the previous report, five countries (BE, DK, FR, LU and NL) already apply specific operational limits for TSO balancing actions in order to incentivise the TSO to reduce its balancing activities. In Slovakia, the application of specific operational limits is planned. (More details are provided in the previous report).

3.2 BALANCING SYSTEM (CHAPTER II OF BAL NC)

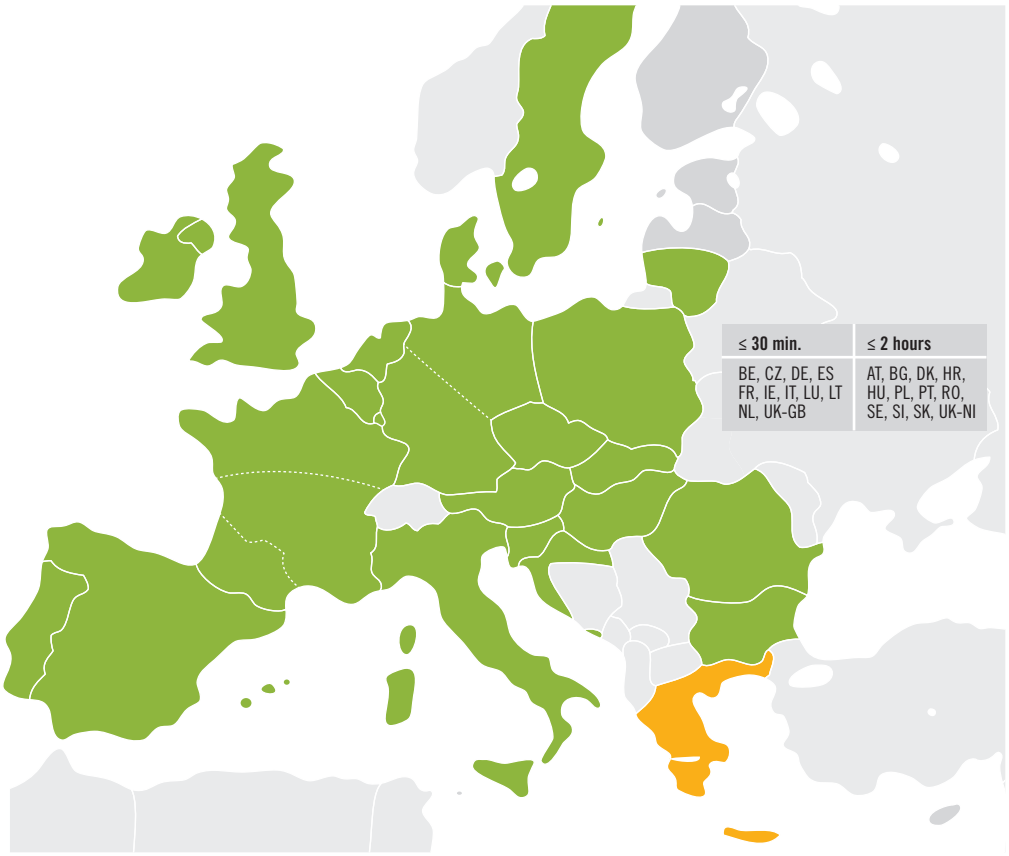
A scheme that allows network users to transfer gas between two balancing portfolios within one balancing zone has been established by 24 countries (AT, BE, BG, CZ, DE, DK, EE, ES[2)], FR, HR, HU, IE, IT, LT, LU[3)], NL, PL, PT, RO, SE, SI, SK, UK-GB and UK-NI). Compared to the last report, Bulgaria and Romania confirmed that they have also established a scheme that allows network users to transfer gas between two balancing portfolios within one balancing zone by 1 October 2015.

Gas transfer between two balancing portfolios within one balancing zone shall be done by disposing and acquiring trade notifications submitted to the TSO in respect of the gas day. The intention is to incentivise network users to optimise their gas portfolios efficiently, so that the need for TSOs to undertake actions would be minimised.

Countries have to implement trade notifications by 1 October 2015 if they do not apply for the transitory period by 1 October 2016.

2) In Spain the scheme was established on 4 August 2015 by NRA's Circular implementing the Balancing Network Code.

3) Luxembourg has merged its market area with Belgium from 1 October 2015 and therefore allows trade notifications via ZTP.



* Estonia stated that trade notifications (must be submitted by D-1 at 3 pm) are already in place.
** Spain implemented the trade notification by 1 November 2015.

Map 3: Implementation of trade notifications by 1 October 2015*

Map 3 shows that all of the respondents reported that trade notifications have been implemented latest by 1 October 2015 except by one country (EL). As already stated in previous report it is still in the process of introducing trade notifications, finalising the process after October 2016. Greece will implement the mechanism in April 2019. Compared to previous report updates have been submitted by Lithuania regarding a lead-time less than 30 minutes and Bulgaria which has introduced trade notifications with a lead time of up to two hours. (See also Table 3)

When trade notification quantities are not equal, the TSO shall allocate either the lower notification quantities or reject both trade notifications. Seventeen countries (AT, BE, BG, CZ, DE, DK, EE* EL, HU, IT, LT, LU, NL, PL, PT, SK and UK-GB) have stated they apply the lesser rule in case of mismatches,, while eight countries (ES, FR, HR, IE, RO, SE, SI and UK-NI) responded that they reject both trade notifications.

	Lead-time			
	≤ 30 min	≤ 2 hours	>2 hours	Not implemented
Countries	BE, CZ, DE, ES, FR, IE, IT, LU*, LT, NL, UK-GB (11)	AT, BG, DK, HR, HU, PL, PT, RO, SE, SI, SK, UK-NI (12)	EE*	EL

* Derogation.

Table 3: Lead-time across countries as of 1 October 2015

3.3 NOMINATIONS (CHAPTER IV OF BAL NC)

The information the TSO receives from a network user's gas nomination is essential to the safe and efficient balancing of the network. It is also using this information that TSOs are able to predict where and to what extent gas imbalances are likely to occur. Nominations are therefore a central part of the BAL NC. The BAL NC sets out basic nomination and re-nomination rules for TSOs and shippers to follow when nominating and re-nominating gas quantities.

Map 4 shows that in 19 countries (AT, BE, CZ, DE, DK, FR, HR, HU, IE, LT, LU, NL, PL, PT, SI, SE, SK, UK-GB and UK-NI), the TSOs confirmed to be compliant with the rules for nominations as set out in BAL NC as of 1 October 2015.

Compared to previous report Czech Republic responded that the nomination rules compliant with the BAL NC have been already in place by 1 October 2015. From the ten respondents (DE, FR, IE, IT, LU, PT, RO, SI, UK-GB and UK-NI) which indicated a planned implementation of the nomination provisions by 1 October 2015, eight respondents (DE, FR, IE, LU, PT, SI, UK-GB and UK-NI) confirmed the implementation date as of 1 October 2015.

Romania reported that nomination provisions are already in place at the RO-HU IP Csanadpalota, but are not compliant with BAL NC as of 1 October 2015.[1)] Italy stated that the nomination provisions compliant with the BAL NC are ready to be implemented. Network users asked for a learning period to test the new rules and IT systems, therefore the implementation has been postponed to 1 October 2016. Estonia reported to implement the nomination provisions by 1 April 2016.[2)]

Two respondents (BG and EL) are still in the decision making process regarding implementing of the nomination rules. Bulgaria and Greece[3)] plan to implement partially the nomination provisions of the BAL NC earliest by 1 July 2016.

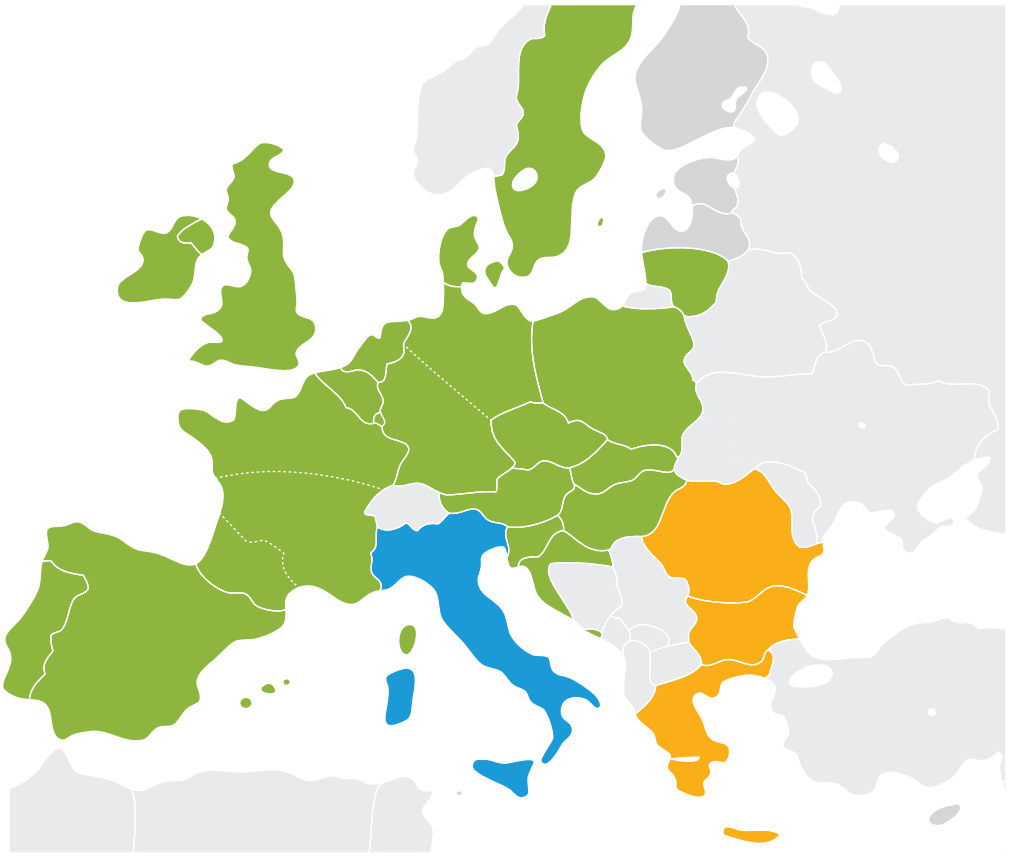
At certain interconnection points, hourly and daily nominations coexist and this was reported by twelve countries (BE, CZ, DE, FR, HU, IT, LU, NL, PL, SI, SK and UK-GB). Three countries (BE, CZ and UK-GB) reported having consulted with stakeholders on this topic.[4)] As reported in the previous report, no issues have been noticed by the TSOs in those countries.

1) In Romania the excepted implementation dates for nomination provisions of BAL NC at IPs to Bulgaria which are related to the Transit Pipelines are 1 January 2017 for the IP Negru Vodă and 1 October 2016 for the IP Negru Vodă II. For the IPs with Ukraine and for other points than the interconnection points, Romanian Network Code provisions are applied, which are not harmonised with the BAL NC.

2) In Estonia the standard terms and conditions of the balancing contract have been updated and will take effect on 1 April 2016.

3) In Greece nominations provisions will be implemented partially at Kulata (BG)/Sidirokastron (GR) IP (one nomination plus two re-nomination cycles). Estimated implementation time Q3/Q4 2016.

4) At the interconnection points, where hourly and daily nomination regimes co-exist, NRAs or TSOs may consult stakeholders in order to harmonise nominations and re-nominations at both sides of this interconnection point. The NRAs approve the change proposals made.



Implemented by 1 Oct. 2015* Planned implementation by 1 Oct. 2016 Delayed implementation after 1 Oct. 2015

*Spain implemented the nomination provisions of BAL NC by 1 November 2015. Estonia plans to implement them by 1 April 2016.

Map 4: Implementation of nomination provisions as of 1 October 2015

3.3.1 Standard Renomination Lead-time of Two Hours

In twenty-one countries (AT, BE, CZ, DE, DK, ES, FR, HR, HU, IE, IT, LT, NL, PL, PT, RO, SE, SI, SK, UK-GB and UK-NI) the standard re-nomination lead-time of two hours is applied according to Article 15 (3) of BAL NC by 1 October 2015.[5)]

3.3.2 Nomination and Re-nomination Provisions for Bundled Capacities

Where TSOs offer bundled capacities at IPs, the nomination and re-nomination provisions according to Article 12 (3) BAL NC shall also apply to single nominations and re-nominations for bundled capacity products. For this case, all countries[6)] that have stated to have the nomination provisions of BAL NC already in place or that are planning to implement them in the future also confirmed the application of Article 12 (3) BAL NC.

5) In Estonia the standard re-nomination lead-time will be applied by 1 October 2016.

6) Lithuania reported that the only IP in Lithuanian TSOs – AB "Amber Grid" – system is with Latvia's transmission network and as Latvia has derogation based on Article 49 of Directive 2009/73/EC, bundled capacity is not offered. Estonia holding derogation does not apply the rules for bundled capacity.

3.4 INFORMATION PROVISION (CHAPTER VIII OF BAL NC)

3.4.1 Types of Information According to Article 32 of BAL NC

Network users are responsible for balancing their balancing portfolios in order to minimise the need of TSOs to undertake balancing actions. Therefore the BAL NC outlines the information that the TSO must provide to network users during the gas day. This information, according to Article 32 of BAL NC, covers: 1) the overall status of the transmission network, 2) the transmission system operator's balancing actions and 3) the network user's inputs and offtakes for the gas day. The information provisions set out in Article 32 of BAL NC should be implemented by 1 October 2015 except for those countries applying the transitory period option.

15 respondents (AT, BE, DE, DK, EL, FR, HU, IE, LT, LU, NL, SE, SK, UK-GB and UK-NI) reported that all three types of information have been implemented and are provided to the network users as of 1 October 2015. Compared to the previous report, Slovakia has now implemented all three types as per Article 32 of BAL NC as of 1 October 2015. Italy and Spain have also mentioned different dates as planned. They reported the implementation of all information provisions respectively as of 1 November 2015 and 22 December 2015. (An overview is provided in Map 5.)

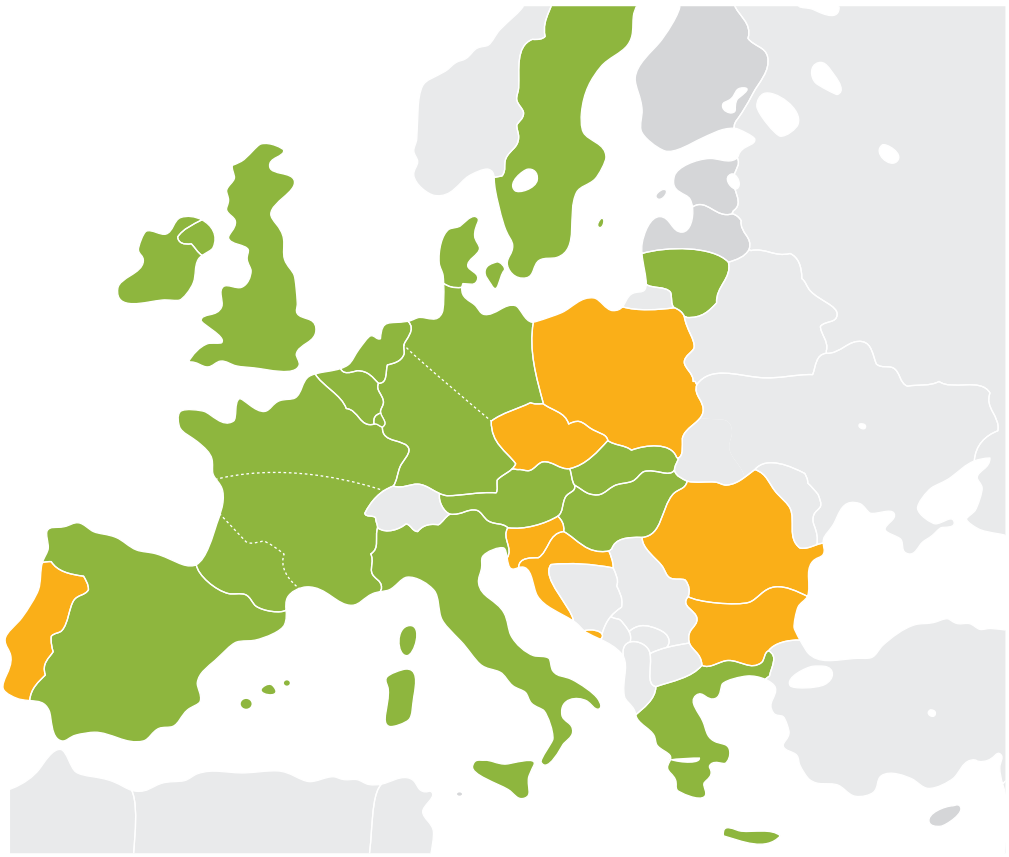
Of the seven countries (BG, CZ, HR, PL, PT, RO and SI) that reported having partially implemented information types, and where the process of full implementation is under development with one or two types of information already provided, only three countries (CZ, HR and PT) applied for the transitory period. (See also table 5.)

The majority of countries except (HU, LU** and RO) reported that they already provide this information in English.

Implementation of the information provisions established by Article 32 of the BAL NC		
All 3 types of information	**2 types of information**	**1 type of information**
AT, BE, DE, DK, EL, ES*, FR, HU, IE, IT*, LT, LU**, NL, SE, SK, UK-GB, UK-NI	CZ, RO	BG, HR, PL, PT, SI

* Italy is providing all three types of information as of 1 November 2015 and Spain implemented all three types as of 22 December 2015.
**Holding derogation.

Table 4: Implementation of 3 types of information (Art. 32 BAL NC) as of 1 October 2015



* In Italy the information provisions were implemented by 1 November 2015 and in Spain by 22 December 2015.

Map 5: Implementation of types of information provisions as reported by countries

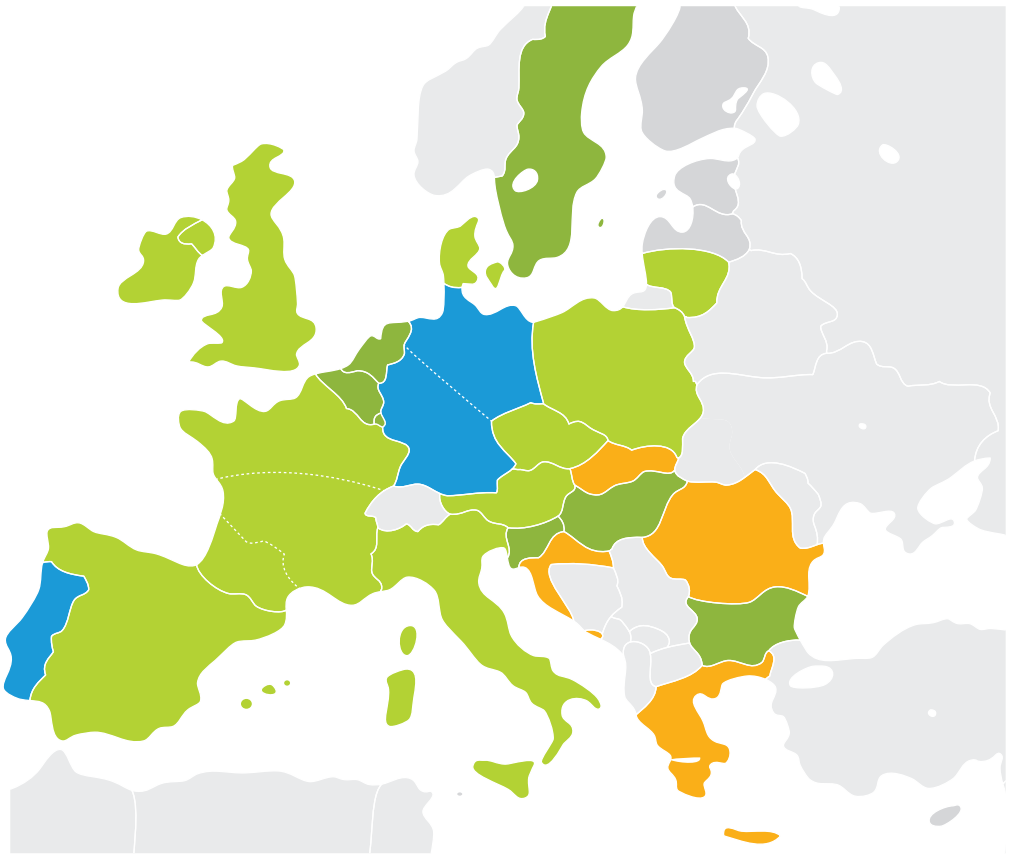
3.4.2 Information Model

BAL NC allows three different information models for daily and non-daily metered off-takes as specified in Articles 35 and 36 of BAL NC. These are a 'base case' model, a 'variant 1' and a 'variant 2' which differ in how allocation data is calculated and how and whether forecasts are provided.

According to the definitions in BAL NC, 'base case' means the model for information provision where the information on non-daily metered off-takes consists of day-ahead and within-day forecasts; 'variant 1' means the model for information provision where the information on non-daily metered and daily metered off-takes is based on apportionment of measured flows during the gas day and 'variant 2' means the model for information provision where the information on non-daily metered off-takes is a day-ahead forecast[1)]. The information model provisions of BAL NC should be implemented by 1 October 2015 except by those countries applying for the transitory period option.

The following map illustrates which information model for non-daily metered off takes applied in the respective countries as of 1 October 2015. The majority (20) of countries (AT, BG, BE, CZ, DE, DK, ES, FR, HU, IE, IT, LT, LU, NL, PL, SE, SI, SK, UK-GB and UK-NI) reported that an information model has been chosen except five countries (EL, HR, PT, RO and SK). In Greece and Slovakia, the information model is currently not applicable since there are no non-daily metered off-take points connected to the transmission systems. Croatia and Portugal applied transitory period option.

3) According to Article 36 (1), where the base case model is applied, TSOs shall provide network users with a minimum of two daily updates of the forecast of their non-daily metered off-takes. According to Article 36 (4), where the information model Variant 1 is applied, TSOs provide their network users with a minimum of two daily updates of their apportionment of measured flows. According to Article 36 (5), when Variant 2 is applied, TSOs provide their network users with a forecast of their non-daily metered off-takes, as referred to in paragraph 1(a): on gas day D-1, the TSO shall provide network users with a forecast of their non-daily metered off-takes for gas day D no later than 12:00 UTC (winter time) or 11:00 UTC (daylight saving).



*Austria, Greece and Slovakia reported that the model is currently not applicable as there are no non-daily metered off-take points connected to the transmission system. As stated in the previous report, Austria is prepared to apply the 'base case in case a non-daily metered off-take point is connected to the transmission system. Greece and Slovakia have not yet decided which information model they will prepare to apply.

** In Portugal, Variant 2 has been identified by the market as the preferred option. The NRA decision is pending.

Map 6: Implementation of information model as of 1 October 2015

According to Article 33(5) of BAL NC, a prior market consultation has to be conducted if a country decides to apply "Variant 2" as the information model for non-daily metered off takes, after the entry into force of the Code. Of the two countries that chose "Variant 2", Germany implemented the "Variant 2" model before BAL NC came into force and there was no need to conduct a market consultation. In Portugal, the implementation of "Variant 2" was proposed by the TSOs and DSOs. Compared to the previous report, a public consultation was launched by the NRA and "Variant 2" was identified as the preferred option. The NRA's decision is pending.

Table 3.1 in Annex III provides an overview on the model for information provision chosen by the countries.

3.4.3 Provision of Final Allocation Data

BAL NC does not define a time limit for the TSOs to provide each network user with the final allocation of its inputs and off-takes and the final daily imbalance quantity. This time limit shall be defined at the national level.

Compared to the previous report, three more countries (FR, SE and SK), thus in total twenty-three countries, indicated the final data allocation timeframe was implemented on 1 October 2015. The responses showed that different approaches are used. Twenty countries (AT, BG, CZ, DE, DK, EE*, EL, ES, FR, HU, IE, IT, LT, PL, RO, SE, SI, SK, UK-GB and UK-NI) use a comparably longer period (days/month) to provide the final allocation data. However, in these countries the data already includes a reconciliation procedure.

In three countries (BE, LU and NL), the reconciliation is separated from the calculation of imbalance charges and therefore final allocation data can be provided in minutes.

Croatia, which applied the transitory period option, reported that final data allocation provisions

were implemented without mentioning the time limit defined at the national level. In Portugal, no decision was made due to the transitory period option being applied.

Further details on the timeframe in which final allocation data, used for the calculation of the daily imbalance charges, is submitted to network users can be found in Annex III, table 3.2.

3.4.4 Establishing a Forecasting Party

TSOs were asked to indicate whether or not they planned to establish a forecasting party and if planning to do so, which party would take on this role. BAL NC foresees designating a forecasting party in a balancing zone after prior consultation with the TSOs and DSOs concerned. It may be a TSO, a DSO or a third party. The forecasting party is responsible for forecasting a network user's non-daily metered off-takes and where appropriate its subsequent allocation.

Compared to the previous report, four more countries (ES, FR, SI and UK-NI), thus in total 18 respondents, indicated that they are planning to establish or have already established a forecasting party.

Eleven of these respondents (BE, DK, FR, IE, IT, LU, PT, RO, SI, UK-GB and UK-NI) reported that the forecasting task is or will be fulfilled by the respective TSO. Compared to the previous report, these are three more countries (FR, SI and UK-NI).

Four respondents (AT, DE, HU, and LT) have indicated that the forecasting task is fulfilled by Distribution System Operators (DSOs).

In Czech Republic, the forecasting task is fulfilled by a third party, market operator (OTE), which operates independently in the market. It has the relevant data at its disposal so it can provide forecasting information. In Spain a third party has been designated and started to operate in December 2015.

Three countries (HR, PL and PT) are planning to implement a forecasting party. In Portugal, the decision regarding the forecasting party has been made but it will be implemented by 1 October 2016. The TSO has been designated as the forecasting party. Croatia is still discussing the designation of the forecasting party but it has already applied the transitory period option. In Poland, the NRA has conducted a public consultation amongst market participants and system operators and has initiated an administrative proceeding to designate the DSO as a forecasting party. The NRA decision is pending.

Five countries (BG, EL, NL, SE and SK) have reported that no forecasting party is foreseen. Three countries (BG, NL and SE) reported as the reason having implemented "Variant 1" while two countries (EL and SK) reported not currently applying it due to missing non-daily metered off-take points connected to the transmission system.

The Code allows TSOs, DSOs or the forecasting party to propose an incentive mechanism related to an accurate forecast for a network user's non-daily metered off-takes. In three countries (DE, ES, IT), an incentive mechanism was proposed to NRAs. The details about the incentive mechanism can be found in Annex III, table 3.3.

An overview of the implemented information provisions as of 1 October 2015 is provided in table 6.

Forecasting party				
TSO	**DSO**	**Third party**	**Under discussion**	**No forecasting party foreseen**
BE, DK, FR, IE, IT, LU, PT*, RO, SI, UK-GB, UK-NI	AT, DE, HU, LT, PL*	CZ, ES**	HR*	BG, EL, NL, SE, SK

* Countries planning to establish a forecasting party. In Poland the market consultation has been completed and the NRA decision is pending.
** Spain established a forecasting party in December 2015.

Table 5: Overview of designated forecasting party as of 1 October 2015

Country	Information provided according to Article 32 (1)*	Information provided according to Article 32 (2)	Information provided according to Article 32 (3)	Links to information in English	Information Model	Forecasting party established
AT	✓	✓	✓	Yes; Yes	N/A (Base case)	DSO
BE	✓	✓	✓	Yes	Variant 1	TSO
BG	✓	–	–	Yes	Variant 1	No need
CZ	✓	–	✓	Yes	Base case	Third party
DE	✓	✓	✓	Yes; Yes; Yes; Yes	Variant 2	DSO
DK	✓	✓	✓	Yes	Base case	TSO
EL	✓	✓	✓	Yes; Yes	N/A	–
ES	✓	✓	✓	No	Base case	Third party
FR	✓	✓	✓	Yes; Yes	Base case	TSO
HR	✓	–	–	Yes	Under discussion	Under discussion***
HU	✓	✓	✓	No	Variant 1	DSO
IE	✓	✓	✓	Yes; Yes; Yes	Base case	TSO
IT	✓	✓	✓	Yes	Base case	TSO
LT	✓	✓	✓	Yes; Yes	Base case	DSO
LU**	✓	✓	✓	No	Variant 1	TSO
NL	✓	✓	✓	Yes	Variant 1	No need
PL	✓	–	–	Yes; Yes; Yes; Yes	Base case	DSO***
PT	✓	–	–	No	Variant 2	TSO***
RO	✓	–	–	No	Under discussion	TSO
SE	✓	✓	✓	Yes	Variant 1	No need
SI	–	–	✓	Yes	Variant 1	TSO
SK	✓	✓	✓	Yes; Yes; Yes	N/A	–
UK-GB	✓	✓	✓	Yes; Yes; Yes	Base case	TSO
UK-NI	✓	✓	✓	Yes	Base case	TSO

* Information should be provided by 1 October 2015 even if transitory period option or interim measures are applied.

** Holding derogation.

*** Countries planning to establish a forecasting party.

Table 6: Overview per country of the implementation of information provisions as of 1 October 2015

3.5 DAILY IMBALANCE CHARGES (CHAPTER V OF BAL NC)

The daily imbalance charge mechanism is intended to incentivise network users to balance their balancing portfolios. Out-of-balance network users are bound to pay or are entitled to receive (as appropriate) daily imbalance charges depending on their balancing position on a particular gas day. Daily imbalance charge is a cost-reflective mechanism and accounts for the prices associated with the transmission system operator's balancing actions, if any, and of the small adjustment. The provisions should be implemented by all countries by 1 October 2015, except those countries that have applied for the transitory period option or interim daily imbalance charge.

Fourteen countries (AT, BE, DE, DK, FR, IE, IT, LT, LU, NL, PL, SI, UK-NI and UK-GB) confirmed the implementation of daily imbalance charge provisions by 1 October 2015. Hungary indicated a delayed implementation of the daily imbalance charge provisions by 1 February 2016 due to the software development.

Out of the ten countries (BG, CZ, EL, ES, HR, HU, PT, RO, SE, and SK) that indicated that daily imbalance charge provisions had not been implemented by 1 October 2015, four countries (CZ, ES, HR and PT) applied for the transitory period option. Czech Republic will implement them by 1 July 2016 while ES,

Country	Have you implemented daily imbalance charge provisions by 1 October 2015?	Has daily imbalance charge methodology been published?	Timeline to implement daily imbalance charge methodology (if not implemented yet)	Daily imbalance quantities are reduced to zero each day?
AT	Yes	Yes	–	Yes
BE	Yes	Yes	–	Yes
BG	No***	No	until April 2019	No 1)
CZ	No**	Yes	1 July 2016	No
DE	Yes	Yes; Yes	–	Yes
DK	Yes	Yes	–	Yes
EE*	No*	Yes	within 2016	–
EL	No***	No 2)	until April 2019	Yes
ES	No**	Yes 3)	1 October 2016	Yes
FR	Yes	Yes	–	Yes
HR	No**	No	1 October 2016	No
HU	Yes	Yes	1 February 2016	Yes
IE	Yes	Yes	–	Yes
IT	Yes	Yes	–	Yes
LT	Yes	Yes	–	Yes
LU	Yes	Yes	–	Yes
NL	Yes	Yes	–	Daily imbalance quantity is by default zero.
PL	Yes	Yes	–	Yes
PT	No**	No	1 October 2016	No
RO	No***	No	until April 2019	Yes
SE	No***	No	until April 2019	Yes
SI	Yes	Yes	–	Yes
SK	No***	No	until April 2019	Yes
UK-GB	Yes	Yes; Yes	–	Yes
UK-NI	Yes	Yes	–	Yes

* Derogation ** Transitory period applied *** Interim measures applied

1) Neutrality methodology in Bulgaria is still under development.

2) The calculation methodology for the Interim daily imbalance charge is published after the approval of the Greek NRA. RAE with its 470/2015 Decision has approved TSOs relevant proposal for the Year 2015. The document is not published yet its publication in the Official Journal is pending at the moment.

3) As stated in the previous report in Spain the NRA's Circular implementing the BAL NC describes basically the methodology to apply. A proposal on daily imbalance charge calculation was already submitted for public consultation.

Table 7: Overview of Daily Imbalance Charge implementation as of 1 October 2015

HR and PT will implement them by 1 October 2016. Another five countries (BG, EL, RO, SE, and SK) applied for an interim daily imbalance charge (see also Chapter 3.9).

The reduction of network users' daily imbalance quantities to zero each day (instead of rolling over to subsequent days) is a fundamental element of a daily balancing regime. Thus in nineteen countries (AT, BE, DE, DK, EL, ES, FR, HU, IE, IT, LT, LU, PL, RO, SK, SI, SE, UK-NI and UK-GB), the daily imbalance quantities from network users are reduced to zero each day. Three countries (CZ, HR and PT) applied for the transitory period option while Netherlands reported that the daily imbalance quantity is by default zero because the imbalance at the end of the gas day is absorbed by a linepack flexibility service. Since the methodology for calculating the neutrality charges is still under development in Bulgaria, network users daily imbalance quantities are not yet reduced to zero each day.

Daily imbalance charge calculation methodology

The daily imbalance charge calculation methodology has been approved by the NRA and published on the relevant websites in 15 countries (AT, BE, DE, DK, ES[4], FR, IE, IT, LT, LU, NL, PL, SI, UK-NI and UK-GB). (See also Table 6 below.)

As part of the approved calculation methodology, the small adjustment contributes to determine the marginal sell and buy price. Its role is to incentivise network users to balance their inputs and off-takes.

Thirteen countries (BE, DE, DK, FR, IE, IT, LT, LU, PT, SI, SK, UK-GB and UK-NI) reported having implemented a small adjustment in accordance with Article 22(6) of BAL NC as of 1 October 2015. Hungary reported a delayed implementation as of 1 February 2016. Spain will also apply a small adjustment when daily imbalance charges enter into force on 1 October 2016.

Of the ten countries (AT, BG, CZ, EE*, EL, NL, HR, PT, RO and SE) that have not yet implemented any small adjustments, three of them (CZ, HR and PT) have applied the transitory period option while other five countries (BG, EL, RO and SE) have applied for interim measures or holding derogation (EE).

In Austria, the daily imbalance charge is the market price at the exchange while in Netherlands the daily imbalance quantity is zero by default, and therefore the applicable price according to Article 22 of BAL NC is not relevant.

(Details on daily imbalance charge calculation methodology can be found in Annex IV, table 4.1, table 4.2 and table 4.3).

4) The NRA's Circular implementing the BAL NC in Spain describes basically the methodology to apply and a proposal on daily imbalance charge calculation was already submitted for public consultation.

3.6 NEUTRALITY (CHAPTER VII OF BAL NC)

One of the main principles of BAL NC is that TSOs shall remain neutral to the charges in relation to its balancing activities in order to ensure that it has neither to bear costs stemming from network users imbalanced positions nor perverse incentives to intervene or not in the market. This means that TSOs shall pass any costs or revenues arising from balancing activities to network users. The neutrality provisions should be implemented by all countries except those applying for the transitory period option.

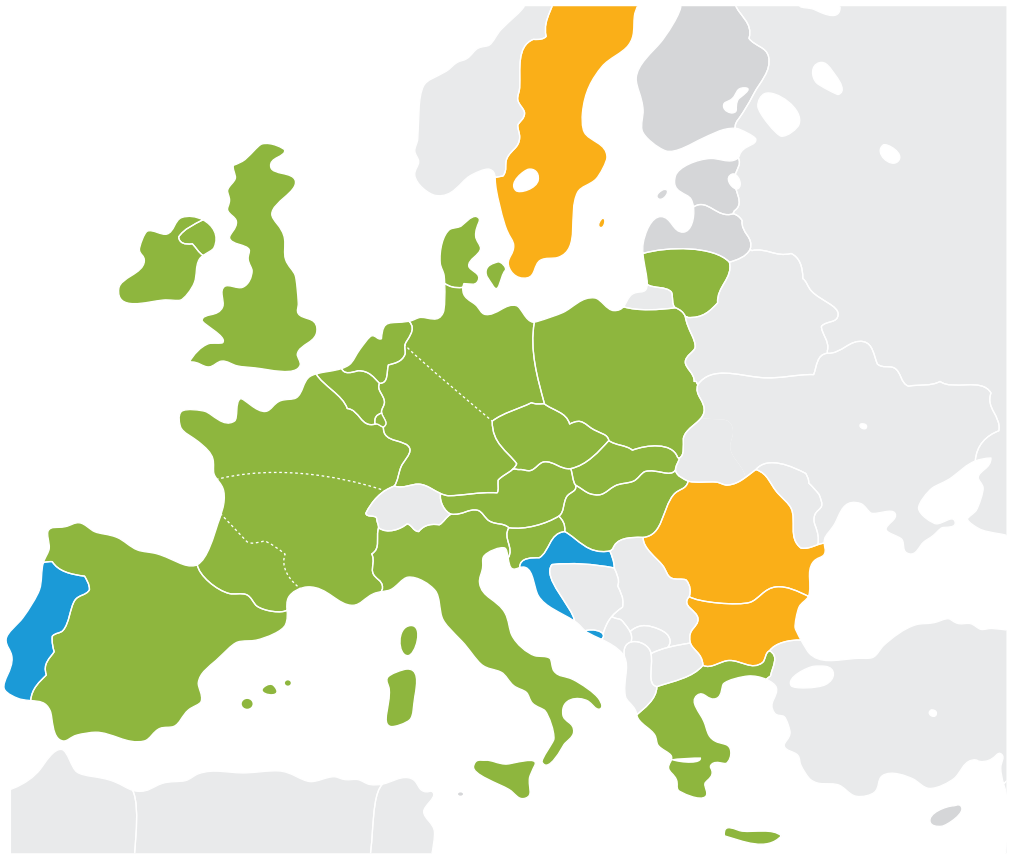
The majority (16) of respondents (BE, CZ, DE, EL, ES, FR, HU, IE, IT, LT, LU, , PL, SI, SK, UK-GB and UK-NI) reported that the methodology for the calculation of the neutrality charges for balancing was published by 1 October 2015. The links to the publication of the methodology can be found in Annex V, table 5.1.

The methodology for calculating the neutrality charges was not published in six countries (AT, BG, DK, HR, PT, RO and SE) as of 1 October 2015. Of these, only Croatia and Portugal applied for the transitory period option. Three countries (AT[5], DK[6] and NL[7]) reported that the neutrality provisions are not applicable due to other arrangements in place which meet the neutrality principles. As part of the approved neutrality methodology, the apportionment amongst network users, credit risk management and how the neutrality charge for balancing proportionate to the extent the network user makes use of the relevant entry or exit points concerned or the transmission network should be taken into account in the neutrality charges for balancing. Of the 17 countries that implemented the neutrality charges by 1 October 2015, 16 respondents provided all details in Annex V, table 5.4.,

5) Austria implemented in the Market Area East a balancing incentive mark-up charged by the Market Area Manager, under supervision of the NRA. The daily balancing of balance groups is done by the MAM by procuring balancing energy in the name and on behalf of the balance responsible party – no costs or revenues for the MAM, the balance responsible party pays/receives a market price to/from the exchange. Neither the TSO nor the Market Area Manager generates any profits resulting from the balancing incentive mark-up. In the distribution system the distribution area manager is responsible for the updates. General Terms and Conditions ("GTC") of Market Area Manager are published at: http://gasconnect.at/en/Market-Area-Manager/Downloads.

6) The total gas economy is neutral, so Energinet.dk cannot "win" or "loose" on balancing. The mechanism was approved by NRA and published at: http://energinet.dk/SiteCollectionDocuments/Engelske%20dokumenter/Gas/Balancing%20model%20evaluation.pdf

7) In the Netherlands, neutrality as defined in BAL NC is guaranteed by the daily imbalance charge methodology that is published. (See also table 7 in chapter 3.5)



Map 7: Publication of the methodology for the calculation of the neutrality charges by 1 October 2015

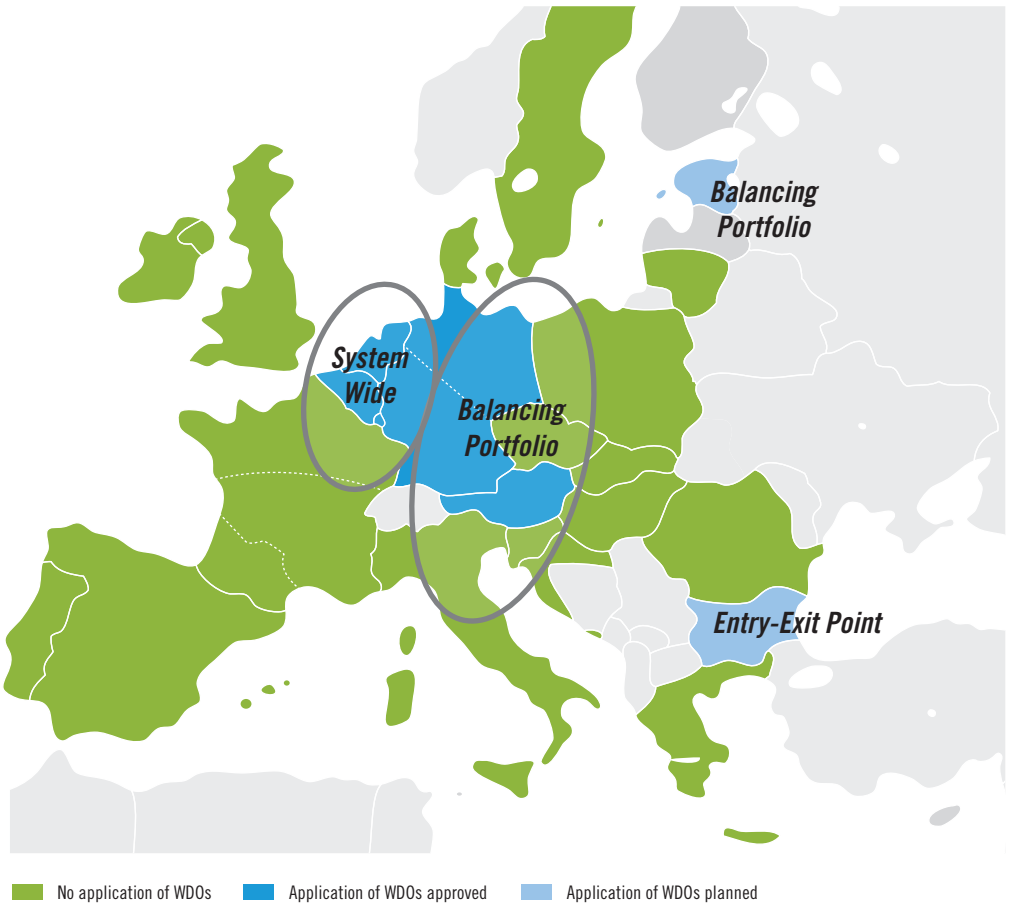
except Denmark and the Netherlands which indicated that the methodology for calculating the neutrality charges is not applicable.

BAL NC foresees the application of neutrality charges for balancing to network users on a monthly basis. Thirteen countries (BE, DE, ES, FR, HU, IE, IT, LU, NL, PL, SK, UK-GB and UK-NI) reported meeting at this interval. Of four countries (CZ, EL, LT and SI) that claimed to not apply the neutrality charge on a monthly basis, only Czech Republic has applied for the transitory period option.

The neutrality charge for balancing should be identified separately when invoiced to network users and the invoice should be accompanied by sufficient supporting information. Fourteen countries (BE, DE, EL, ES, FR, HU, IE, IT, LU, PL, SI, SK, UK-GB and UK-NI) reported that they fulfilled the invoice provisions while four countries (CZ, DK, LT and NL) did not. Of the three countries that do not fulfil the invoice provisions, Czech Republic applied for the transitory period option while Denmark and the Netherlands indicated that the methodology for calculation of the neutrality charges is not applicable. Some examples of supporting information are given in Annex V, table 5.2.

As stated in the previous report, only one country (Germany) applies the “variant 2” information model and reported that the methodology for the calculation of the neutrality charges for balancing provides rules for a separate neutrality charge for balancing in respect of non-daily metered off-takes.

The methodology for the calculation of the neutrality charges may provide rules for the division of the neutrality charge for balancing components and for the subsequent apportionment of the corresponding sums amongst the network users. Details about these rules can be found in Annex V, table 5.3.



Map 8: The countries using Within-day Obligations by 1 October 2015

3.7 WITHIN-DAY OBLIGATIONS (CHAPTER VI OF BAL NC)

The Code provides the possibility for TSOs to implement Within-Day Obligations (WDOs), which are a set of rules approved by the NRAs regarding network users' inputs and off-takes within the gas day. The goal of these rules is to incentivise network users to manage their within-day position in view of ensuring the transmission system integrity and minimising need for TSOs to undertake balancing actions.

As the map below illustrates, five countries (AT, BE, DE, LU and NL) have already implemented WDOs as of 1 October 2015 while two countries (BG and EE) have planned the implementation.

The Netherlands, Belgium and Luxembourg (the latter two in the framework of the BeLux market integration) applied a System-Wide WDO whereas Germany and Austria applied a Portfolio-Based WDO. Compared to the previous report, no changes intervene in those countries. For more details, please consult the previous report. Estonia foresees the application of Balancing Portfolio WDO while Bulgaria reported its plan to apply Entry-Exit Point WDO.

BAL NC foresees the accomplishment of an analysis of the benefits of introducing WDOs in terms of economic and efficient operation of the transmission network. Five countries (AT, BE, DE, LU and NL) have analysed the benefits of introducing WDOs and no potential negative impacts on liquidity of trades at the virtual trading point were highlighted. Also, the same five countries (AT, BE, DE, LU and NL) consulted market participants on the introduction of the WDOs application and NRA decisions. After one or more public consultation rounds, these were adopted accordingly.

In Estonia and Bulgaria, neither public consultation nor analysis of the benefits of introducing WDOs in terms of economic and efficient operation of the transmission network has been conducted or done yet.

The provisions of the Code foresee the establishment of a within-day charge methodology. Five countries (AT, BE, DE, LU and NL) which have already implemented WDOs, established and provided the description of within-day charge

methodology and thresholds applied for the charges in Q4 2015 and also the information provided towards the grid to the users. Details can be found in Annex VI, table 6.2. The data for Q4 2015 is related to the sum of volumes of WDO applied to all users and to the sum of all volumes of the day imbalance volumes applied to all users can be found in Annex VI, table 6.1.

The majority of countries which do not apply WDO indicated that traders are using the unlimited flexibility daily balancing system for intraday trading in order to prevent cross subsidisation. More details can be found in Annex VI, table 6.3.

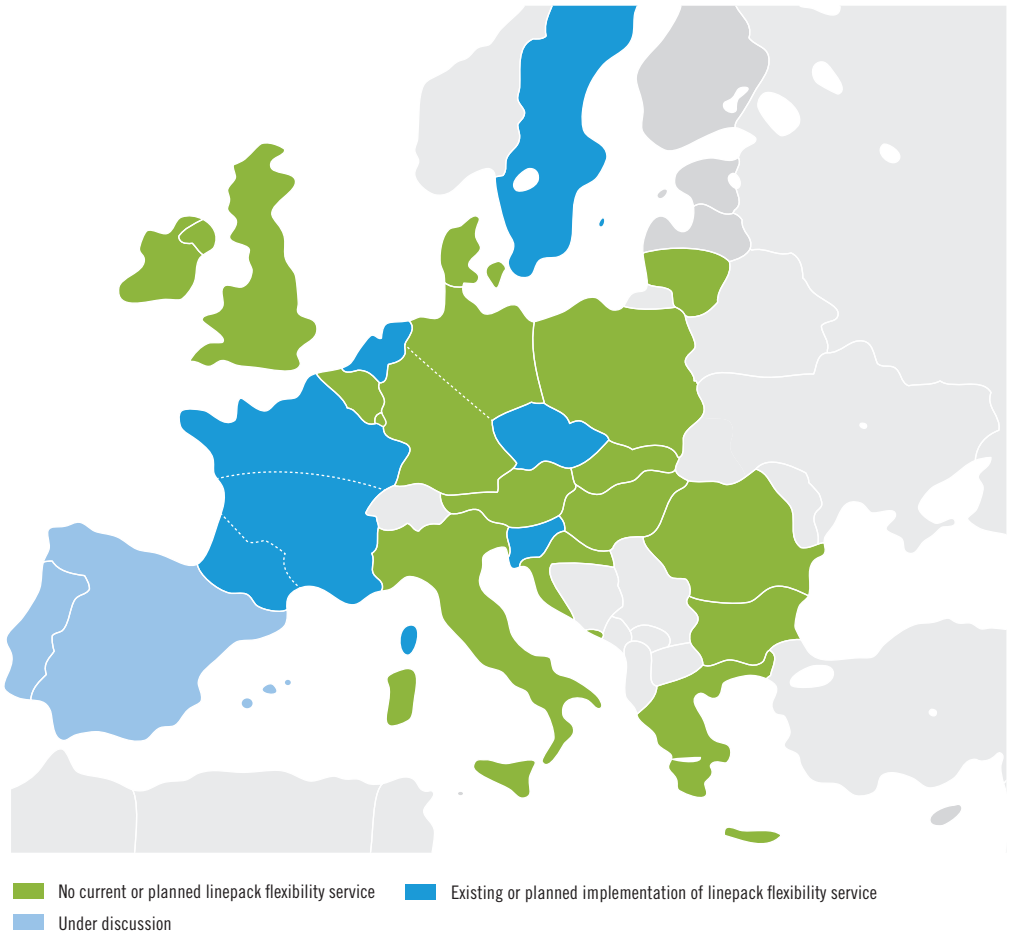
3.8 LINEPACK FLEXIBILITY SERVICE (CHAPTER IX OF BAL NC)

BAL NC provides the possibility of offering a linepack flexibility service to shippers under the condition that the related terms and conditions are approved by the NRA. This commercial service which utilises the flexibility within the transmission system shall be consistent with the responsibility of the shipper to balance its inputs and off-takes throughout the gas day.

As seen in Map 8, seven countries already offer or are discussing whether to offer the linepack service in their systems (CZ, ES, FR, NL, PT, SE, and SI). Among these, three countries already offer this service (FR, NL, SE) as already stated in the previous report. For details, please consult the previous report. In Slovenia, the linepack flexibility service was implemented as of 1 October 2015 while in Czech Republic, which applied the transitory period option, the linepack flexibility service will be implemented by 1 July 2016. In Spain and Portugal, which also apply transitory period option, the implementation of linepack flexibility service is still under discussion.

Compared to the previous report, two countries (HU and SK) decided not to offer linepack flexibility services as of 1 October 2015.

Map 9: Implementation of linepack flexibility service as of 1 October 2015



3.9 INTERIM MEASURES AND RELEASE OF SURPLUS FLEXIBILITY (CHAPTER X AND CHAPTER XI OF BAL NC)

TSOs may implement interim measures in the absence of sufficient liquidity in the short-term wholesale gas market in order to have enough time to develop a more liquid and competitive short-term market.

Table 8 provides an overview of the 11 countries (BG, DE, EE, EL, IE, LT, PL, RO, SE, SK and UK-NI) including Estonia which have indicated the application of interim measures. All these countries, except Germany, reported the absence of sufficient liquidity of the short-term wholesale gas market as the reason of applying Interim measures.

As stated in the previous report, in Germany, the majority of BAL NC provisions were implemented by October 2015, while some changes introduced by "GaBi Gas 2.0" will be implemented by 1 October 2016 at the latest[1)]. Furthermore, the NRA agreed to continue the use of the existing balancing platforms until April 2019 for locational products, as the existing local or point-specific balancing gas requirements cannot be met with standardised exchange products and instead have to be met by the market area managers buying or selling local balancing products on the physical balancing platforms[2)].

Poland applies different interim measures for all of its three balancing areas (high-calorific, low-calorific and the Polish section of Yamal pipeline); a balancing platform for three balancing areas, 5 % tolerance for the high-methane balancing area and an interim imbalance charge for the low-methane balancing area as well as for the SGT balancing area.

Implementation of interim measures also requires the publication of an annual report approved by the NRA which is outlining the reasons for the application of the interim measures and their potential continued use. All 11 countries updated or foresee to update the interim measures report on an annual basis. Nine respondents (BG, DE, EL, IE, LT, PL, RO, SK and UK-NI) provided a link to the NRA decision which can be found in Annex VII, table 7.1.

BAL NC foresees that TSOs should identify the steps that will be taken to remove the interim measures, including the criteria for making these steps and an assessment of the related timing. Seven countries (BG, EL, IE, PL, RO, SE and SK) reported that next steps, milestones and deadlines are planned in order to move away from the interim measures. Further information of the detailed plans can be found in Annex VII, table 7.2.

The TSO has the possibility to apply any other interim measures as an alternative or additionally, provided that such measures aim at promoting competition and liquidity of the short-term wholesale gas market and are consistent with the general principles of BAL NC. No TSO reported implementing any other interim measures.

1) In those areas implemented by 1 October 2016, Germany stated in the previous report that the current national rules already fulfil the requirements of NC BAL.

2) The exchange plans to integrate some locational products based on grid zones in the coming months. As stated in the previous report by Germany, an action from the TSO at a specific point in the grid was previously only required in peak demand situations.

Country	Balancing platform	Alternative to a balancing platform	Interim imbalance charge	Tolerances	Other interim measures
BG	–	(Q3/Q4 2016)	(Q3/Q4 2016)	(Q3/Q4 2016)	–
DE	In place	–	–	–	–
EL	(Q1/2017)	In place	In place	In place	–
IE	–	In place	–	In place	–
LT	–	–	–	In place	–
PL	In place	–	–	In place	–
RO	(2017/2018)	(April 2016)	(April 2016)	(April 2016)	–
SE	In place	–	In place	–	–
SK	In place	–	In place	–	–
UK-NI	–	In place	–	In place	–

Table 8: Overview of the Interim measures applied as of 1 October 2015

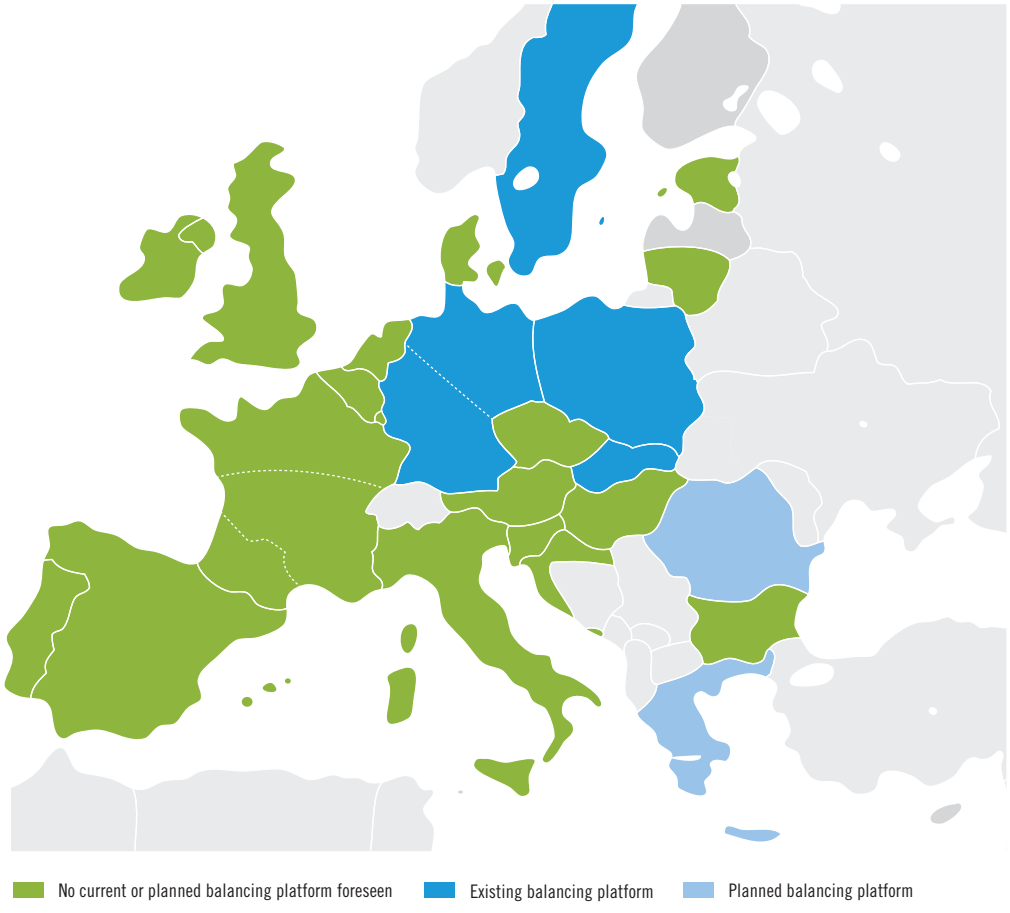
3.9.1 Balancing Platform as Interim Measure (Art. 47 of BAL NC)

Where the short-term wholesale gas market has or is anticipated to have insufficient liquidity or where the required temporal and locational products cannot reasonably be procured on this market, a balancing platform can be established for the purpose of TSO balancing.

Six countries (DE, EL, PL, RO, SE and SK) already established or plan to establish a balancing platform. Compared to the previous report, three countries (PL, SK and SE) reported that a balancing platform is already in use while Greece foresees implementing a balancing platform during Q1 2017 and Romania during 2017/2018.

Map 10 provides an overview of the current or planned usage of balancing platforms in Europe. Annex VII, table 7.3 provides the reasons and expected timelines of using the balancing platform, the products procured on the balancing platform and the related conditions.

Map 10 should be looked at in conjunction with Map 1 in section 3.1.1. The existence of a trading platform fulfilling all conditions in Article 10 of BAL NC makes in principle unnecessary to establish a dedicated balancing platform. All countries with existing or planned balancing platforms do not have a trading platform, except Germany and Poland.



Map 10: IInterim measures – Overview of current or planned usage of balancing platform as of 1 Oct. 2015

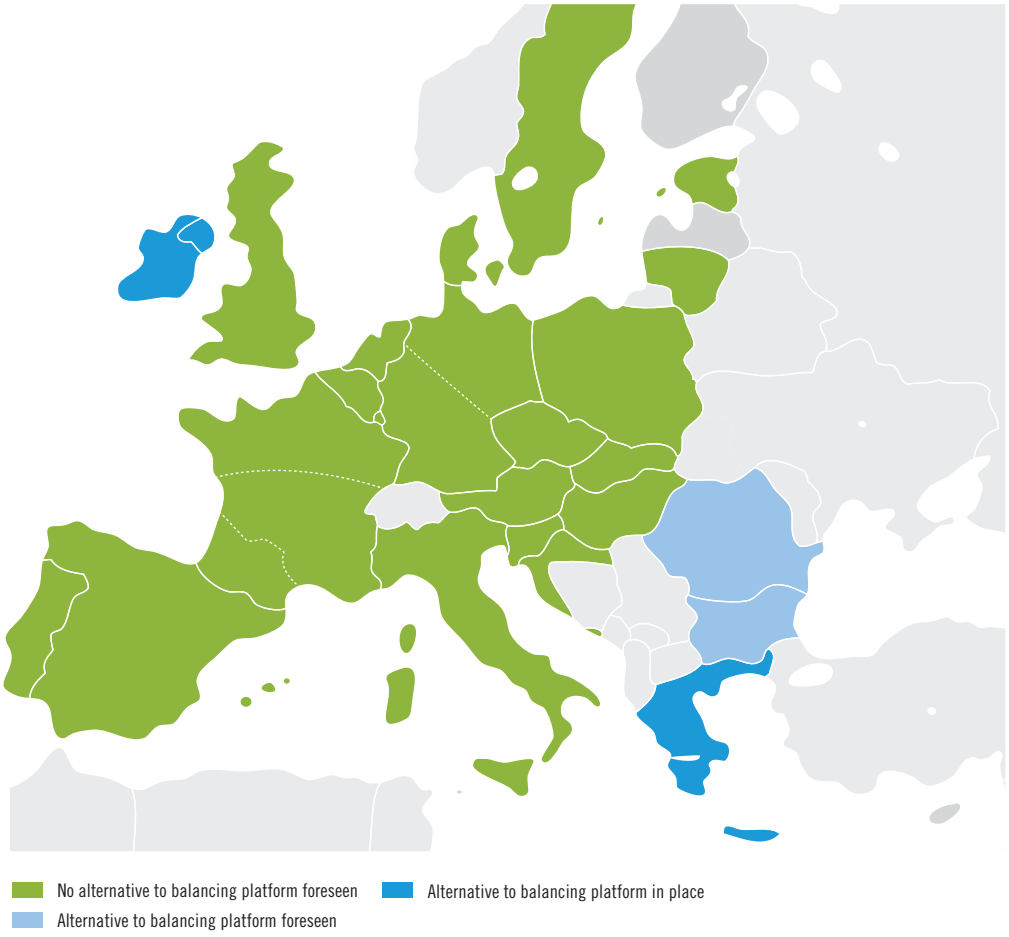
3.9.2 Alternative to a balancing platform as interim measure (Art. 48 of BAL NC)

Where, as a result of insufficient interconnection capacity between balancing zones, a balancing platform cannot increase the liquidity of the short-term wholesale gas market and cannot enable the TSO to undertake efficient balancing actions, an alternative to a balancing platform may be used.

Five countries (BG, EL, IE, RO and UK-NI) reported using an alternative to a balancing platform. In Greece, Ireland and Northern Ireland, the alternative to the balancing platform (as balancing services) is already in place while two countries (BG and RO) are planning to implement an alternative to a balancing platform.

Compared to the previous report, Sweden renounced implementing an alternative to a balancing platform.

Table 74 of Annex VII provides the reasons and expected timelines of using an alternative to a balancing platform, the products procured on the balancing platform and the related conditions, the links to the relevant documents published on the products procured as an alternative to the establishment of a balancing platform.



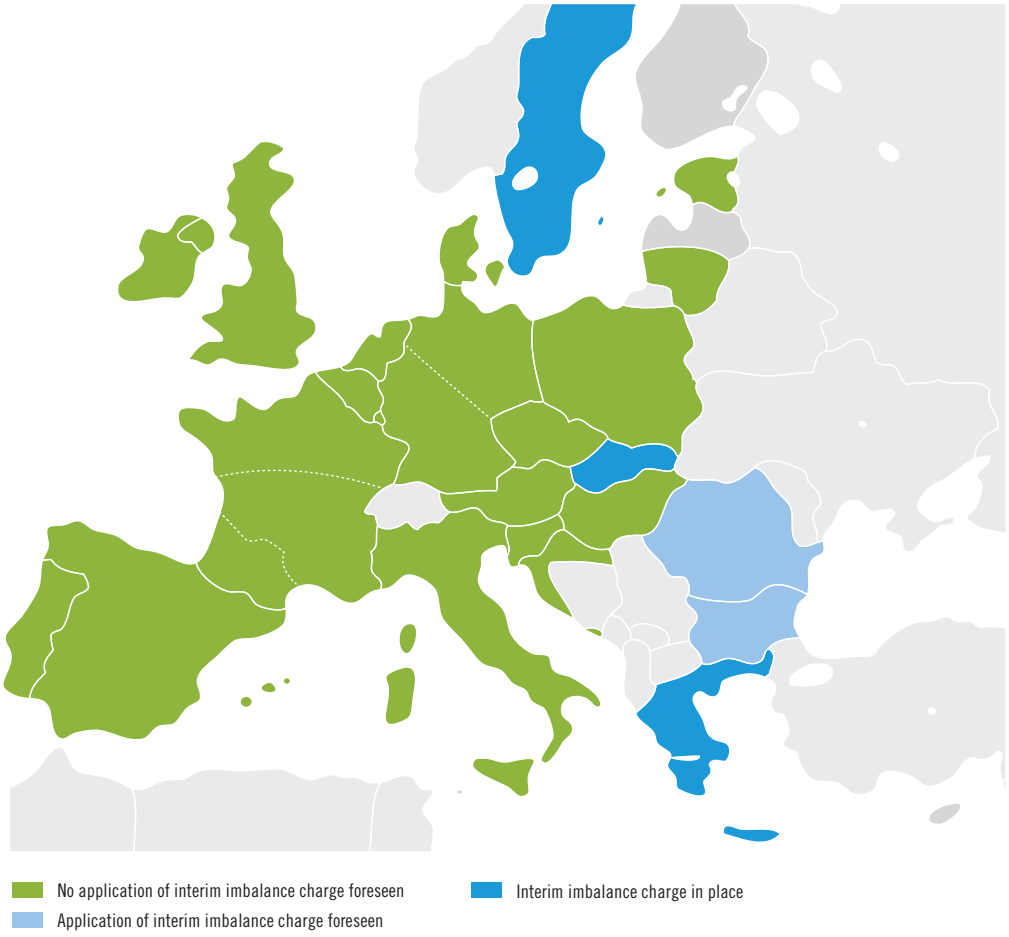
Map 11: Interim measure - Overview of current or planned use of an alternative to balancing platform

3.9.3 Interim Imbalance Charge (Art. 49 of BAL NC)

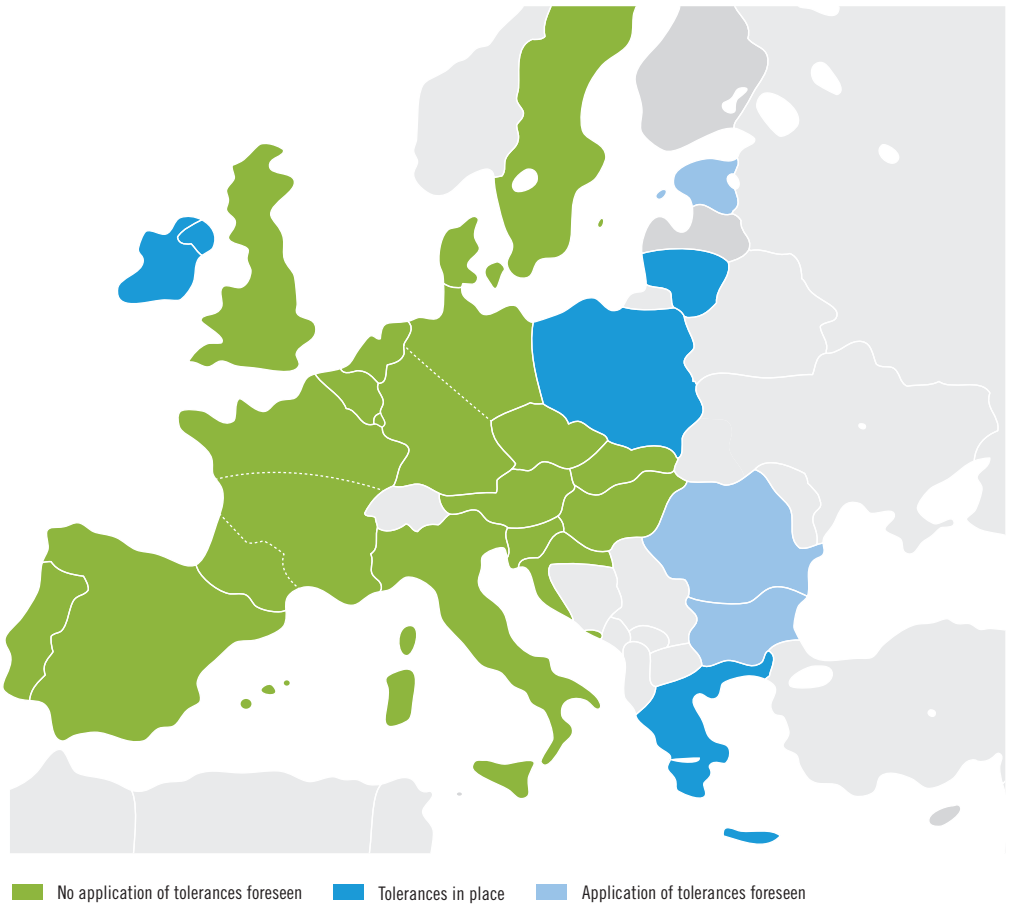
In the absence of sufficient liquidity of the short-term wholesale gas market, TSOs may apply an interim imbalance charge that substitutes the daily imbalance charge calculation methodology.

Five countries (BG, EL, RO, SE and SK) reported application an interim imbalance charge due to insufficient liquidity of the short-term wholesale gas market. In three countries (EL, SE and SK), the interim imbalance charge is already in place while two other countries (BG and RO) plan to apply an interim imbalance charge in 2016.

In the previous report, six countries (BG, EL, IE, PL, SE and SK) planned to apply an interim daily imbalance charge as of 1 October 2015. Meanwhile, Ireland and Poland reported implementing a imbalance charge by 1 October 2015 instead of applying an interim imbalance charge. Romania decided to apply interim imbalance charge.



Map 12: Interim measures - overview of current or planned use of interim imbalance charge as of 1 October 2015



Map 13: Interim measure - Overview of current application of tolerances

3.9.4 Usage of Tolerances as Interim Measure (Art. 50 of BAL NC)

The tolerances are meant to reduce a network user's financial exposure to the marginal sell or buy price in respect of a part of or a network user's entire daily imbalance quantity for the gas day.

Eight respondents (BG, EE, EL, IE, LT, PL, RO and UK-NI) envisage the usage of tolerances as shown in Map 13. Compared to the previous report, Sweden updated that no tolerances are implemented.

In five (EL, IE, LT, PL and UK-NI) out of eight countries, the tolerances are already in place while in three countries (BG, EE and RO), application of tolerances are foreseen.

Table 7.5 of Annex VII provides the reason for using the tolerances, the design of the tolerance level and the expected timeline for the use of tolerances.

3.9.5 Release of Surplus Flexibility Service (Chapter XI of BAL NC)

According to BAL NC provisions, where long-term contracts for the procurement of flexibility are in place at the date of entry into force of BAL NC, TSOs shall aim to reduce these amounts of flexibility. No TSO reported any surplus of flexibility being released.

4 Conclusion

4.1 IMPLEMENTATION DATES AND PROVISIONS OF BAL NC IN EUROPE

The BAL NC provides countries with several alternatives regarding its implementation date. All provisions of BAL NC shall be implemented by 1 October 2015 or, if the transitional period option has been adopted, by 1 October 2016 for all provisions of the BAL NC and it can only be used in case no interim measures have been applied. Alternatively, in the absence of sufficient liquidity in the short-term wholesale gas market or if other reasons make it necessary, countries can implement interim measures until 16 April 2019 at the latest, provided that the other provisions of BAL NC have been implemented by October 2015.

Compared to the previous report, one country indicated a different implementation timeline than the one reported last year: Lithuania stated that the decision of applying interim measures by the NRA has been issued.

Implementation of BAL NC was reported by seven (AT, BE, DE[1)], DK, FR, NL and UK-GB) out of 10 countries applying as of 1 October 2015. Three countries (HU, LU* and SI) reported to have most of the provisions in place.

Six (DE, IE, LT, SE, SK and UK-NI) out of 11 countries that applied for interim measures until latest April 2019 reported the implementation of interim measures, two respondents (EE* and EL) have partially implemented the planned interim measures by 1 October 2015, while two other countries (BG and RO) are planning to implement the interim measures in 2016.

Five respondents (DE, IE, LT, SK and UK-NI) stated all other provisions in place while other six countries (BG, EE*, EL, PL, RO and SE) reported partial implementation as of 1 October 2015.

All five countries (CZ, ES, HR, IT and PT) which applied for the transitory period as of 1 October 2016 have already partially implemented the BAL NC provisions and the implementation process is ongoing. Czech Republic indicated an earlier implementation date as of 1 July 2016.

It can be concluded that the implementation progress is made by TSOs and NRAs, regardless of the fact that some countries still face low market liquidity and will require time to create a functioning wholesale market that enables network users and TSOs to balance in a market-based manner.

1) In Germany, further use of the physical balancing platform as an interim measure is temporarily approved, as the required locational products cannot reasonably be procured on the short-term wholesale gas market (Article 47 of BAL NC). Refer to the section of the interim measure part.

* Holding derogation

4.2 OVERVIEW TABLE OF DEGREE OF IMPLEMENTATION OF BAL NC

Table 9 contains selected information with the aim of providing an overview on the state of play of BAL NC implementation in countries by 1 October 2015 without covering all topics and details available in the report. For more detailed information on the implementation status in these countries, refer to the annexes[2)] of this report.

2) Please see the previous report with more details which have not been reported as an update.

Country	Trading platform (in place/foreseen date)	STSPs (only title/ also others/ under discussion/ no plans)	Balancing services (in place/foreseen or discussed/ none)	Standard Renomination lead time (≤2 hrs)	Trade notifications and lead time (30 min / 30 mins <x ≤2 hrs / >2 hrs)	Types of information provision art. 32 BAL NC (total out of 3)	Daily Imbalance Charge implemented by 1 Oct 2015	Methodology for calculation of neutrality charges (published/not published/published in the tariff review)
AT	In place	Also others	None	Yes	30 min <x ≤2 h	3	Yes	N/A [2]
BE	In place	Only title	None	Yes	30 min	3	Yes	Published
BG	Alternative to bal. platform planned Q3/Q4 2016	Under discussion	Foreseen or discussed	Yes	30 min <x ≤2 h	1	No***	Not published
CZ	In place	Only title foreseen (1 July 2016)	Foreseen or discussed	Yes	30 min	2	No**	Published
DE	In place	Also others	In place	Yes	30 min	3	Yes	Published
DK	In place	Only title	None	Yes	30 min <x ≤2 h	3	Yes	N/A
EE*	Not indicated	Under discussion	in place	No	>2 h	Not indicated	No*	Not indicated
EL	Bal. platform planned Q1/2017	Under discussion	Alternative to bal. platform in place	No	Not implemented	3	Yes	Published
ES	Dec. 2015**	Also others	Foreseen or discussed	Yes	30 min	3	No**	Published
FR	In place	only title	In place	Yes	30 min	3	Yes	Published
HR	2016**	Under discussion	In place	Yes	30 min <x ≤2 h	1	No**	Not published
HU	In place	Also others	None	Yes	30 min <x ≤2 h	3	Feb. 2016	Published
IE	2019*	Under discussion	Alternative to bal. platform in place	Yes	30 min	3	Yes	Published
IT	In place	Only title	In place	Yes	30 min	3	Yes	Published
LT	In place	Only title	In place	Yes	30 min	3	Yes	Published in the tariff review
LU*	In place	Only title	None	No	30 min	3	Yes	Published
NL	In place	Also others	None	Yes	30 min	3	Yes	N/A [3]
PL	In place [4]	Also others	None	Yes	30 min <x ≤2 h	1	Yes	Published
PT	2016	Under discussion	Foreseen or discussed	Yes	30 min <x ≤2 h	1	No**	Not published
RO	Bal. platform planned 2017/2018	Under discussion	Alternative to bal. platform planned April 2016	Yes	30 min <x ≤2 h	2	No***	Not published
SE	Bal. platform in place	No	None	Yes	30 min <x ≤2 h	3	No***	Not published
SI	In place	Only title	In place	Yes	30 min <x ≤2 h	1	Yes	Published
SK	Bal. platform in place	Only title	In place	Yes	30 min <x ≤2 h	3	No***	Published
UK-GB	In place	Also others	None	Yes	30 min	3	Yes	Published
UK-NI	2019	No	Alternative to bal. platform in place	Yes	30 min <x ≤2 h	3	Yes	Published in the tariff review

* Derogation ** Transitory period applied *** Interim measures applied; see Chapter 3.9.

2) Austria applies "balancing portfolio" Within Day Obligations. The daily balancing is carried out by the Market Area Manager (MAM), a task delegated by the balancing responsible party to the Market Area Manager. As such, for Austria, it was reported that neither the TSO nor the Market Area Manager generate any profits resulting from the balancing incentive mark-up, calculated on the basis of hourly deviations and used to incentives balance responsible parties to make balanced entry and exit nominations for each balance group. All allocated nominations, imbalances, carry-forward accounts and balancing incentive mark-ups are published on the MAM online-platform, so that balancing incentive mark-ups are transparent at all times.

3) Reported as not applicable. The Netherlands applies "system-wide" Within Day Obligations. The Within Day balancing costs and revenues are passed directly to the responsible shippers and daily balancing revenues come from linepack, where the neutrality mechanism shall not apply unless decided upon by the national regulatory authority (NRA).

4) In Poland, the trading platform is only implemented in H-Gas balancing zone.

Table 9: Overview table of selected information on implementation as of 1 October 2015

5 Annexes

ANNEX I: LIST OF ABBREVIATIONS AND COUNTRY CODES

Abbreviations

ACER	Agency for the Cooperation of Energy Regulators
ENTSOG	European Network of Transmission System Operators for Gas
NRA	National Regulatory Authority
TSO	Transmission System Operator
EC	European Commission
EU	European Union
MS	Member State
BAL NC	Balancing Network Code
IP	Interconnection Point
WDO(s)	Within-day Obligation(s)
MAM	Market Area Manager
STSP(s)	Short-Term Standardised Product(s)
DM/NDM	Daily metered/ Non-daily metered

Country Codes

AT	Austria
BE	Belgium
BG	Bulgaria
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
HR	Croatia
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
NL	The Netherlands
PL	Poland
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia
UK-GB	Great Britain
UK-NI	Northern Ireland

ANNEX II: OPERATIONAL BALANCING (CHAPTER III OF BAL NC)

Type of product	Country where it is offered on a trading platform or balancing platform	Country where it is planned to be offered on a trading platform as of 1 October 2016
Title products	AT, BE, DE, DK, FR, HU, IT, LU, LT, NL, PL, SI, SK, UK-GB	CZ, ES, HR
Locational products	AT, DE, HR, HU, PL, UK-GB	ES
Temporal products	NL	
Temporal locational products	–	–

Table 2.1: Short-term Standardised Products offered as of 1 October 2015

In LU title products are offered as of 1 October 2015 within the BeLux integrated market.

In DE, the exchange offers products which provide global und quality effects. Additionally, the exchange plans to introduce products which offer an effect in a specific zone in the coming months. Apart from this there are no plans of the exchange to introduce products which offer an effect at a specific point in a grid. Therefore, MAMs need their balancing platforms to be able to buy these products if the need arises.

In PL, the following products are currently offered on the balancing platform:

- Gas delivery (by network user) at the Virtual Exit Point (WD)
- Gas off-take (by network user) at the Virtual Entry Point (WP)
- Gas delivery (by network user) at Physical Entry Point (LD)
- Gas off-take (by the network user) at Physical Exit Point (LP)
- Gas delivery reduction at a Physical Entry Point and off-take of the same quantity of gas from TSO at the Virtual Entry Point (LZ)

COUNTRY	OUTCOME OF THE COOPERATION WITH TSOS FROM ADJACENT BALANCING ZONES TO DETERMINE THE RELEVANT STSP FOR BALANCING PURPOSES
Table 2.2: Describe the outcome of the cooperation with TSOs from adjacent balancing zones in order to determine the relevant STSP for balancing purposes (Art. 7.7 BAL NC).	
AT	STSP in Austria are the short-term products (intra-day, day-ahead) of the gas exchange. The Austrian VTP is already used by an adjacent TSO for balancing purposes.
BE	Regulated documents related to the introduction of the Entry/Exit model in October 2012 and to the BeLux market integration in October 2015 have been subject to consultation. It created openness towards adjacent TSO(s) & NRA(s). TSOs from adjacent balancing zones did not comment on the determination of the relevant STSP.
BG	Currently Bulgartransgaz EAD does not envisage to define short term standardised products in close cooperation with the neighbouring operators. In future, following an analysis on the usage of balancing services and title transfer trade within the day or for a day ahead at VTP and upon establishing the level of development of the liquidity on the short term market, if necessary Bulgartransgaz EAD will use all liquidity sources in the region, including pursuant to art. 7.7. of the Regulation.
CZ	STSP have not been discussed yet, neither on domestic nor on cross-border level.
DE	The trading platform that currently operates the short term wholesale market for gas in the balancing zones NCG and GASPOOL is EEX – European Energy Exchange. The business activities of EEX on the natural gas markets are operated under the brand PEGAS – Pan-European Gas Cooperation. (http://www.pegas-trading.com/en/). All STSPs currently tradable on the short term wholesale market PEGAS/NCG and PEGAS/GPL have been in place already before the implementation of the BAL NC and no additional STSPs were introduced so far. In case additional or amended STSPs are required, the MAMs will cooperate among each other and with the relevant adjacent TSOs and MAMs in the process of determining the necessary characteristics of the STSPs. For the existing STSPs, the MAMs and EEX/PEGAS cooperated already in the past in order to implement harmonised products. As a result of this cooperation, the STSPs offered by EEX/PEGAS at the Virtual Trading Points NCG, GPL and TTF are identical in their design and functioning.
DK	Only 1 balancing zone in Denmark, and cooperation with adjacent TSO's did not effect design of STSP's
EE	N/A. Latvia as the only adjacent balancing zone does not apply the NC
ES	Until now it has not been necessary any cooperation among adjacent TSOs, since provisions regarding balancing actions do not enter into force in Spain till 1 October 2016. Once they enter into force, the entity responsible for balancing issues in Spain (Enagas GTS) will consider the need for this cooperation and, if estimated necessary, cooperation will be developed under the South Gas Regional Initiative umbrella.
EL	There are no STSPs in place. TSO (DESFA) has requested and the Regulatory Authority approved the implementation of Interim Measures, in accordance with chapter X of the BAL NC.
FR	The main outcome of the cooperation between GRTgaz and TIGF is the creation of a single market zone (Trading Region South) in the south of France which allow both TSOs to intervene on the same trading platform (PEGAS) for balancing purposes.
HR	Under discussion (approval of transitory measures by NRA / postponed to 1 Oct 2016).
HU	FGSZ has cooperated and agreed with other TSOs.
IE	Not applicable as standardised products not yet implemented.
IT	A report summarizing the cooperation activities of SRG with adjacent TSOs has been prepared based on AEEGSI request and published under the section "Updating proposals area" reference number 35 at the following link: http://www.snamretegas.it/en/services/Network_Code/Aree/Area_Aggiornamento.html The document summarises the informative activities performed in order to cooperate with the interconnected EU and non-EU operators on nomination and re-nomination cycles and related matching activities.
LT	There is no STSP in adjacent balancing zones. STSP are available only on Natural Gas Exchange in Lithuania.
LU	Regulated documents related to the introduction of the Entry/Exit model in October 2012 in Belgium and related to the BeLux market integration in October 2015 have been subject to consultation. It created openness towards adjacent TSO(s) & NRA(s). TSOs from adjacent balancing zones did not comment on the determination of the relevant STSP.
NL	BBL Company: Not applicable since BBL Company has NRA approval to continue the in-equals-out balancing regime on the BBL interconnector GTS: At the time cooperation was not possible, because neighbouring TSOs were not in the implementation phase yet.
PL	The discussion with adjacent TSOs about the relevant STPS for balancing purposes was not finished yet.
PT	MIBGAS started operations in Spain in 17th of December. We expect MIBGAS can be the platform for the Portuguese balancing area in a short term (there are some subjects not fully solved, such as implicit allocation of capacity for example). At this stage there is no experience in the cooperation between adjacent TSOs concerning STSP.
RO	Such cooperation with TSOs from adjacent balancing zones has not taken place until now.
SE	Not relevant since interim measures are implemented on the Swedish Gas Market.
SI	STSP were made on the bases of perceived needs in Slovenian transmission system and according to behaviour of the network users.
SK	Since in Slovakia the balancing platform only trades title products, the need for cooperation is evaluated as marginal.
UK-GB	The products used in the GB are long established and were introduced some years ago and consequently there was no requirement or need engage adjacent TSOs. Through regular and well established engagement processes, GB shippers continue to have many opportunities to discuss such cooperation with the TSO, but none saw any requirement for it. If such cooperation is requested in future, approved processes are in place through both the Joint Office of Gas Transporters (GB) and ENTSOG to ensure that the TSO considers it.
UK-NI	Not Applicable. Interim Measures approach.

COUNTRY	REPORTED REASONS FOR LACK OF LIQUIDITY OF TRADE IN STSPS
Table 2.3: Reasons for lack of liquidity of trade in STSPs	
BG	Balancing services in accordance with art. 8.3 and art. 8.5 are provided to be used, but still have not been procured.
CZ	Because of lack of experience there is currently no certainty whether from 1 July 2016 STSP will under all possible circumstances provide the necessary gas quantities in the necessary time-frame for physical balancing of the network.
EL	The Greek natural gas market is not liquid enough so as to enable the use of STPSs. Third party access has not been enabled in the upstream side of the two out of three entry points of the NGTS, due to contractual and physical congestion of the upstream system, while the interest for the use of the LNG terminal is quite limited nowadays due to financial crisis and high LNG prices in comparison to the pipeline gas.
HR	Limited sources of physical flexibility – currently through locational products at the single UGS facility with 4 users. Possibility of locational products at other entry/exit points not utilised so far.
LT	Lithuania is a small and quite isolated gas market. There are only few market players active on wholesale market. The only adjacent balancing zone Latvia is still closed market, has derogation based on Article 49 of Directive 2009/73EC and is not implementing BAL NC. We expect liquidity should increase in coming years (the market should be opened in Latvia since April 2017) due to regional market development (possible market measures) and changing market environment.
PT	MIBGAS started one month ago in Spain. There are also subjects concerning WD capacity allocation at VIP Iberico which are being clarified. (MIBGAS serves two balancing areas)
SI	The new organization of the balancing market in Slovenia according to the BAL NC has just been established and used in Slovenia for three months therefore the TSO believes that the market users are not yet familiar enough at the moment. TSO is convinced that the market users need some more time until the suitable liquidity of trade in STSPs will be established.
SK	There is no trading platform compliant with BAL NC in Eustream's balancing zone.
UK-NI	Trading was first introduced to the NI regime in October 2015 via a VTP and there is not currently sufficient liquidity.

COUNTRY	SHORT EXPLANATION OF CHOICES FOR USAGE OF BALANCING SERVICES
Table 2.4: Short explanation of choices for usage of balancing services	
BG	When using balancing services, just as when using STP, TSO aims to change the entry and exit flows to/from the gas transmission system (receives gas to meet the short term fluctuations in the demand and supply). As in Bulgaria only the development of title transfer short term standardized product is being envisaged, for which trades at VTP shall be concluded, they will be brought down to disposing the ownership of gas from one user to another and accordingly does not contribute to a flow change. Therefore, the transmission system can be kept in its operational limits only by procuring balancing services.
CZ	The usage of balancing services will be done as of 1 July 2016 because (art. 8.1.): STSPs are not providing the response necessary to keep the transmission network within its operational limits and due to absence of liquidity of trade in STSPs
DE	Both MAMs use balancing services for specific balancing demands that cannot be covered by STSP. For cases where lead-times of STSPs are regarded as too long, balancing services have been designed with appropriate shorter lead-times. A comparison of costs is not always possible due to the fact that there are not in all cases comparable STSPs to compare the costs of the balancing services to. Where balancing services are used as a backup, a comparison of costs is not regarded as meaningful since the balancing service serves as insurance. Nonetheless, the prescribed merit order clearly gives priority to STSPs. Given this backup categorization of balancing services in Germany, the liquidity in the short term wholesale market is not affected.
EE*	How the balancing services keep the transmission network within its operational limits compared to STSPs - no difference noted The response time of the balancing service compared to STSPs - no difference noted The estimated cost of the procurement of balancing service compared to STSP - there could be an effect. To what extent the procurement and use of balancing services may affect the liquidity of the short term wholesale gas market - increasing in liquidity
ES	According to the NRA's Circular implementing the Balancing Network Code in Spain, thefollowing aspects must be considered by the entity responsible for balancing issues (Enagas GTS) when using balancing services, once the provisions on balancing services enter into force on 1 October 2016: (1) how the balancing services keep the transmission network within its operational limits compared to STSPs; (2) the response time of the balancing service compared to STSPs; (3) the estimated cost of the procurement of balancing service compared to STSP; and (4) to what extent the procurement and use of balancing services may affect the liquidity of the short term wholesale gas market.
FR	The merit order set by the network code is followed. Balancing services are required when STSP trades do not induce a quick enough physical effect on the network. Indeed, trades at the vitual hub are not always followed by gas immediate injections or withdrawals (since imbalances are only settled at the end of the day). Therefore an experiment is on-going to reduce the use of balancing services through the use of locational products.
HR	All mentioned characteristics.
IE	Not applicable as standardised products not yet implemented. Low levels of liquidity have been evident in the Irish market historically (see Interim Measures Report). Note also the proximity of the Irish market to a highly liquid market at the NBP.
IT	In deciding the usage of the balancing services the TSO will evaluate the remaining flexibility of the market along the day and its ability to deliver the required outcome to balance the system.
LT	Because of the absence of sufficient liquidity of the short term wholesale gas market, also taking into account that buying balancing services is more economically efficient way to balance the transmission system compared to STSPs, balancing services are used.
PT	As referred before MIBGAS is a trading platform serving (at least) two balancing areas for operational balancing purposes. The allocation of capacity at VIP Ibérico might be a problem and, in some circumstances, might not guarantee that the transmission network is within its operational limits. Also there are storage facilities, including LNG, and shippers can offer balancing services at a very competitive term.
SI	The use of balancing service s in Slovenian Transmission system for natural gas is necessary, as there are no other possible sources of gas to keep the transmission system in the operational limits (no national production, no storage, ...). In case there is potentially no interest in the STSP on the trading platform, the TSO needs the possibility to balance the system.
SK	Due to the absence of the trading platform compliant with BAL NC and low level of liquidity, it is expected that the availability of STSPs at balancing platform is limited. Furthermore, Eustream's system is a transit system where trading activity at the VTP is very low compared to the transited volume and its possible curtailment.
UK-NI	N/A No STSPs

* Derogation

COUNTRY	BALANCING SERVICES OFFERED
Table 2.5: Balancing services	
CZ	Currently a balancing service (called "flexibility service") is being used by the TSO. The flexibility service consists of borrowing/lending gas from/to a shipper (at the end of the year the gas is returned - the account is cleared to zero). Flat price is paid for the service. Current priority order is: (1) linepack flexibility of the system (2) balancing service (3) buying/selling gas on market (title products). When NC BAL is implemented different kind of balancing service is foreseen, which will be used only in case the balancing action on trading platform cannot be executed (e.g. because of lack of liquidity or failure of the market operator's IT system). The new balancing service consists of a bilateral contract for purchase and sale of gas. The price is paid only, if the contract is used. New priority order will be: (1) linepack flexibility of the system (2) buying/selling gas on market (title products) (3) balancing service.
DE	NetConnect Germany and GASPOOL use Long Term Options and Flexibility Services: Description of Flexibility Services on GASPOOL Homepage: http://www.gaspool.de/index.php?id=download_aktuell&L=1 No documents for Long Term Options published as they are not contracted at the moment. Description of Flexibility Services on NetConnect Homepage: https://www.net-connect-germany.de/Portals/2/en_Produktbeschreibung%20Flexibility.pdf Description of Long Term Options on NetConnect Homepage: https://www.net-connect-germany.de/Portals/2/en_Produktbeschreibung%20Commodity.pdf
EE*	Description of sale and purchase of linepack gas: https://riigihanked.riik.ee/register/hange/169274;
EL	Description of the Procurement of LNG for Balancing purposes on the DESFA Homepage: http://www.δεσφα.gr/files/diagonismoi/Prokirixeis/464_14%20Δημοσίευση%20στον%20ελληνικό%20τύπο.pdf
ES	The use of balancing services has been foreseen by the NRA in its implementation of the Code and it will enter into force on 1st October 2016, so it has not been used yet.
FR	TIGF still need balancing service contracts with storage operators (respectively Storengy and TIGF storage). Balancing services are approved by the regulator and costs are recovered by the Transmission Tariffs. Tariffs are reviewed each year
IE	Balancing services will continue to be used under interim measures; balancing services will be procured in accordance with Art. 8.3
HR	The gas market operator shall announce a tender for the selection of a balancing energy bidder on the annual basis. The Public Procurement Act shall apply to the conducting of the tender for selection of a balancing energy bidder on the annual basis. The gas market operator shall conclude the tender for selection of a balancing energy bidder on the annual basis no later than March 15 of the current year for the next storage year. Pursuant to the decision on the selection of the most favourable application, the gas market operator and selected bidder from the tender shall conclude a contract on procurement of balancing energy. The gas market operator shall publish the notification on the tender for selection of a balancing energy bidder on the annual basis on his internet pages. The annual balancing energy bidder shall forward every day a balancing energy bid for balancing energy in the storage system at a minimum of two blocks (480 MWh) of positive balancing energy and two blocks of negative balancing energy, except during the HD measuring conducted in the gas storage system. Link to documents of Annual Balancing Provider: http://www.hrote.hr/default.aspx?id=287
IT	Balancing services are planned to be supplied in a market-based manner consisting in bilateral contracts selected through transparent and non-discriminatory public procedures or via competitive tenders for balancing supply resources open to network users. An evaluation on the balancing services which might be used by the TSO is currently under evaluation.
LT	Gas sell-purchase agreement: Public procurement, quantity requirement, flexible supply depending on TSO needs, minimal gas price
PT	No provisions have been implemented so far with regard to Balancing Services, but this is a possibility that is not discarded at this point, depending, among other conditions, on the liquidity of the Iberian gas market in the near future.
SK	Flexibility contract: The tender was published on Eustream's website on 16 November 2015. Subject of tender was the fix fee for flexibility. The required product was defined by daily and cumulative monthly flexibility to inject the gas and to offtake the gas. The tender participants were asked to accept the flexibity contract draft and fullfil further criteria (yearly turnover, traded energy volume).
SI	Balancing services (Sell/ Buy) are procured through a public procurement by negotiated procedure with prior publication of a contract notice. Criteria for the most favourable bidder is the lowest selling price of gas per unit, bidders must also met all tendering requirements of tender documentations.
UK-NI	As part of the Interim Measures the TSO will continue to use Balancing Services these will be secured and operated in accordance with Article 9 of the Network Code. Balancing services will only be used where STSP will not or are not likely to provide the response necessary to keep the transmission network within its operational limits and as stated previously, STSP on a trading platform will not be viable in the NI Regime due to lack of liquidity. Balancing Buy/ Sell: Annual Procurement, Notice published in OJEC June, Final Receipt of tenders August, Contract award September, Contract Start 01 October


Image courtesy of PLINOVODI d.o.o.

COUNTRY	1) NAME OF THE ADJACENT BALANCING ZONE (INCL. NAME OF THE TRADING PLATFORM IN ADJACENT ZONE). 2) ALTERNATIVE SOLUTIONS WHICH HAVE BEEN CONSIDERED BY THE NRA AND REASONS THEY WERE NOT IMPLEMENTED INSTEAD. 3) PLEASE EXPLAIN THE APPLICABLE TERMS AND CONDITIONS FOR TRADING IN AN ADJACENT ZONE. 4) DO YOU HAVE ANY CRITERIA THE NRA/TSO USES FOR THE ANNUAL REVIEW OF THE POSSIBILITY FOR THE TSO TO TRADE IN AN ADJACENT BALANCING ZONE? 5) PLEASE EXPLAIN THE CRITERIA FOR THE RESERVATION OF CROSS BORDER CAPACITY BY THE TSO AND HOW THIS RESERVATION DOES NOT AFFECT CROSS BORDER CAPACITY USE (ART. 9.3).

Table 2.6: NRA approved possibility of TSOs trading of STSP in adjacent balancing areas by 1 October 2015

PL	1) GASPOOL (European Energy Exchange (EEX)) 2) As alternative: Trading of locational products at PL-DE border. Such products are not available on trading platform. There is possibility to order such products by TSO via balancing platform, but the supply of such products was not checked yet. 3) The NRA's approval is valid until the date: 1 October 2016 6:00. TSO may trade within adjacent balancing zone only for the purpose of balancing actions in Transit Yamal Pipeline (SGT) balancing area where no trading platform exists and also in case of the need to supply gas at entry points from EU member states – as long as the locational products are not offered on trading platform functioning in the high methane gas balancing area. The use of neighbouring trading platform shall not limit the access and use by network users of capacity at the interconnection points. TSO may use only day ahead and intraday capacity. 4) No criteria for annual review. 5) TSO may use only day ahead and intraday capacity at the interconnection points between neighbouring balancing areas. TSO may only submit bids with the reserve price in the auction in order to book capacity for the purpose of gas transport from/to neighbouring balancing area.
DE	1) TTF (NCG is using ICE Endex and PEGAS. GASPOOL is using PEGAS) 2) As alternative: Introduction of quality specific products for L gas and H gas at PEGAS/NCG and PEGAS/GPL on 01.10.2013 in cooperation with the MAMs. The MAMs make use of these quality specific products and take into account transport costs when comparing prices for the quality specific L gas product at PEGAS/NCG resp. PEGAS/GPL with the title product prices at the TTF in order not to give an advantage to TTF trading. Nonetheless, the quality specific products for L gas do not show sufficient liquidity so far to fully replace the TTF balancing activities. The MAMs are constantly monitoring the market development and are reducing their TTF activities to the minimum required level. From 01.11.2015, NCG also makes use of within day capacity products thus allowing reducing long term capacity bookings that are required for the TTF activities of the MAMs. GASPOOL will implement within day capacity usage in the near future. 3) The MAMs act fully according to the applicable market rules in the Netherlands and in Germany in the context of the TTF balancing activities, thus all generally applicable terms and conditions are also valid for the MAMs. The MAMs are registered as market participants at PEGAS and ICE Endex (NCG only) and as transport customers at Gasunie Transport Services B.V. and the relevant German Transmission System Operators. Capacity bookings occur via the booking platform PRISMA. 4) Criteria for annual review implemented. 5) The MAMs book transport capacity between TTF and their respective Market Area as short term as possible and if available on an interruptible basis. By doing so, the MAMs allow other market participants access to the relevant capacity first and would be interrupted in case owners of firm capacity contracts want to make use of their capacity.
SK	1) Austrian Market Area East, Austrian VTP (CEGH Gas Exchange) 2) There is no trading platform present in Slovak balancing zone. Alternative solution would be trading at Czech VTP, however the CEGH Gas Exchange at Austrian VTP is much more liquid. 3) The trading in an adjacent zone is possible as a last option within the merit order list. 4) No critieria for annual review. 5) The possible reservation of cross border capacity would not affect cross border capacity use by network users. There is enough free capacity At the interconnection point with adjacent zone (Baumgarten) and the need for adjacent zone trading is very rare (not used until now). In case there will be a reason to assume that such trading would affect network users capacity bookings, the criteria will be developed.

COUNTRY	LINK TO THE PUBLICATION OF THE INFORMATION WITH REGARD TO THE COSTS, FREQUENCY AND QUANTITY OF THE BALANCING ACTIONS UNDERTAKEN ACCORDING TO THE MERIT ORDER.

Table 2.7: Link to the publication of the information with regard to the costs, frequency and quantity of the balancing actions undertaken according to the merit order, which is to be published on a yearly basis. (Art.9.4 BAL NC)

BE	https://gasdata.balancing.fluxys.com/SDPBSYS/Pages/Reports/BalancingInformation.aspx
DE	**NetConnect Germany:** https://www.net-connect-germany.de/en-gb/Information/Balancing-Gas-Supplier/Publications/External-Balancing-Activities https://www.net-connect-germany.de/en-gb/Information/Balancing-Gas-Supplier/Publications/Within-Day-Structuring-of-Gas-Flows https://www.net-connect-germany.de/en-gb/Information/Balancing-Gas-Supplier/Publications/Results-of-longterm-tenders **GASPOOL:** http://www.gaspool.de/index.php?id=752&no_cache=1&L=1 http://www.gaspool.de/index.php?id=748&L=1
FR	TIGF: https://tetra.tigf.fr/SBT/public/EquilibrageTransacFiltree.do
IT	"Sessions of balancing market" at the following link: http://www.snamretegas.it/en/services/access_new_balancing_regime/
LU	https://gasdata.balancing.fluxys.com/SDPBSYS/Pages/Reports/BalancingInformation.aspx or when problems with opening the link: https://gasdata.balancing.fluxys.com/Transmission + click on Balancing and Allocations + Market Balancing Position
NL	**GTS:** Updated immediately after every balancing action: https://www.gasunietransportservices.nl/en/shippers/balancing-regime/balancing-actions **BBL** Company: Not applicable since BBL Company has NRA approval to continue the in-equals-out balancing regime on the BBL interconnector.
PL	http://en.gaz-system.pl/strefa-klienta/taryfa/bilansowanie/mechanizm-zapewnienia-neutralnosci-kosztowej/
UK-GB	Information related to balancing actions can be found on our Operational Forum pages under the title Operational Overview: http://www2.nationalgrid.com/UK/Industry-information/Gas-transmission-system-operations/Gas-operational-forum/

COUNTRY	BALANCING ZONE	TRADING PLATFORM IN PLACE AS OF 1 OCT. 2015	RANKING IN BALANCING MERIT ORDER AS OF 1 OCT. 2015	BALANCING PRODUCT AS OF 1 OCT. 2015 (E.G. WD TITLE PRODUCTS, WD LOCATIONAL PRODUCTS, DA TITLE PRODUCTS, DA LOCATIONAL PRODUCTS)
Table 2.8: Overview of trading platforms and merit order as of 1 October 2015:				
AT	Market Area East	CEGH	1	Within-day title product
			2	Within-day locational product
BE/LU	BELUX	ICE–Endex	1	Within-day title products
BG [1]	National Balancing Zone/ Transit Balancing Zone	Alternative to Balancing Platform (as IM) planned in Q3/Q4 2016	–	Balancing services – foreseen (after NRA approval of new Balancing Rules)
CZ [2]	Czech Republic	OTE	1	Title products – foreseen to be implemented by 1 July 2016
		N/A	2	Balancing services foreseen also after 1 July 2016
DE	Gaspool Market Area/ NCG Market Area	PEGAS	1	**Title Market Transactions** Trade of title products on the exchange (title products with delivery at the VTP GPL/VTP NCG)
		PEGAS/ TTF (VTP)	2	**Locational Market Transactions** Trade of title products on the exchange (title products with delivery in a defined gas quality) AND Trade of title products on the exchange in adjacent market areas (currently title products with delivery at TTF in the Netherlands)
		Balancing Platform of GPL/NCG as IM)	3	**Locational Market Transactions** Transactions on the bilateral physical balancing platform of GPL/ NCG (short-term products with delivery in a defined network zone or at defined network points)
		N/A	4	**Balancing Services** Long-term options AND (Intraday) Flexibility
DK	Denmark	Gaspoint Nordic	1	Within-day title product
EE [3]	Estonia	–	–	**Balancing Services** Sale and purchase of linepack gas
EL	Greece	Balancing Platform (as IM) estimated in Q1/2017	–	The products have not been specified yet
		Alternative to Balancing Platform (as IM) in place	–	Balancing Services (as Interim Measure - Alternative to Balancing Platform foreseen until 2019) Daily Balancing Actions via LNG Regasification
ES	Spain	MIBGAS (in place as of 16 Dec. 2015)	1	Within-day title day products (foreseen to be implemented by 1 October 2016)
			2	Within-day locational products (foreseen to be implemented by 1 October 2016)
			3	Day-ahead title day products (foreseen to be implemented by 1 October 2016)
			4	Day-ahead locational products (foreseen to be implemented by 1 October 2016)
FR	PEG Nord	PEGAS (Spot) by Powernext	1	Within-day title products
	Trading Region France (TRS)	PEGAS (Spot) by Powernext	1	Within-day title products
		N/A	2	Balancing services
HR	Croatia	Currently Balancing Platform in place (Trading Platform planned as of 1 Oct. 2016)	1	Day-ahead locational product (positive balancing energy)
			1	Day-ahead locational product (negative balancing energy)
		N/A	2	Balancing Services (also foreseen by 1 Oct. 2016) Annual balancing energy provider

1) In Bulgaria the use of an alternative balancing platform, including VTP and use of balancing services is envisaged as it is expected that the balancing platform would not result in increase of the liquidity. Bulgaria reported also that it uses currently as other flexibility sources 1) stores and/or natural gas quantities in the gas transmission network (linepack) and 2) stores and/or uses natural gas quantities in/from natural gas storage facility.

2) Currently in Czech Republic the TSO uses the line pack in the gas system, the balancing service (flexibility service) and gas purchased from or sold to cleared entities for which it bids or which it offers on an organised spot gas market. Balancing services according to Art. 8 of BAL NC are planned as of 1 July 2016.

3) EE holds derogation.

COUNTRY	BALANCING ZONE	TRADING PLATFORM IN PLACE AS OF 1 OCT. 2015	RANKING IN BALANCING MERIT ORDER AS OF 1 OCT. 2015	BALANCING PRODUCT AS OF 1 OCT. 2015 (E.G. WD TITLE PRODUCTS, WD LOCATIONAL PRODUCTS, DA TITLE PRODUCTS, DA LOCATIONAL PRODUCTS)
Table 2.8: Overview of trading platforms and merit order as of 1 October 2015:				
HU	Hungary	CEEGEX	1	Within-day title product (MGP)
			2	Day-ahead title products (CEEGEX DA)
			3	Within-day locational product (HEG)
			4	Day-ahead locational product (HEGO)
IE	Ireland	(Alternative to Balancing Platform (as IM) in place	–	Balancing Services; Balancing Buy Contract; Balancing Sell Contract
IT	Italy	GME Trading platform	1	Day-ahead title products
		N/A	2	Balancing Services also foreseen by 1 Oct. 2016
LT	Lithuania	GET Baltic	1	Within-day title products
			2	Day-ahead title products
		N/A	3	Balancing Services Gas sell-purchase agreement
NL	GTS [4]	ICE-ENDEX	1	TTF WD (WD Title product on ICE ENDEX Exchange)
			2	TTF Next hour (WD temporal product on ICE ENDEX Exchange)
PL	H-Gas gas balancing area	TGE POLPX	1	Title products
		Balancing Platform (as IM) in place	2	Locational products/ title products [5]
	L-Gas gas balancing area	Balancing Platform (as IM) in place	–	Locational products
	SGTgas balancing area	Balancing Platform (as IM) in place	–	Locational products
		EEX (GPL)		Title products on exchange in adjacent markets (GPL EEX)
PT [6]	Portugal	Trading Platform foreseen as of 1 Oct. 2016	under discussion**	** The merit order for the balancing actions in order to fulfill the operational balancing is under discussion with the NRA and TSO. ** Presently the operational balancing is carried out using a stock of operational gas for this exclusive purpose. With MIBGAS (operational in Spain since December 2015) the balancing actions may, hopefully, begin to use market solutions.
		N/A	–	Balancing Services foreseen
RO [7]	Romania	(Interim Measure) Balancing Platform planned during 2017/2018	–	–
		(Interim Measure) Alternative to balancing platform planned for April 2016	–	Balancing services foreseen as Interim Measures
SE	Sweden	(Interim Measure) Balancing Platform in place	1	Balancing Action Trade (Interim measure)
			2	Weekly Trading (Interim measure)

4) The merit order for balancing products is not applicable for BBL.

5) In Poland in H-gas balancing area the TSO is able to buy title product at the balancing platform. This is not recommended but if it will be only one place where title products would be available, the TSO could buy them there.

6) As already previously reported no trading platform has been established so far in Portugal. Depending on the evolution on the creation of the Iberian gas market, the use of a common trading platform between Portugal and Spain is the most probable option.

7) As stated in the previous report the trading platforms in Romania do not comply with all the criteria in Article 10.1 in the BAL NC. Romania will use only a balancing platform for its balancing purposes.
Romania reported that underground storage flexibility is used according to the gas law. TSO has top priority regarding access to the UGS based on the UGS regulated contract. The use of the UGS is the last option in the merit order.

COUNTRY	BALANCING ZONE	TRADING PLATFORM IN PLACE AS OF 1 OCT. 2015	RANKING IN BALANCING MERIT ORDER AS OF 1 OCT. 2015	BALANCING PRODUCT AS OF 1 OCT. 2015 (E.G. WD TITLE PRODUCTS, WD LOCATIONAL PRODUCTS, DA TITLE PRODUCTS, DA LOCATIONAL PRODUCTS)
Table 2.8: Overview of trading platforms and merit order as of 1 October 2015:				
SI	Slovenia	VTP – Virtual Trading Point	1	Within-day title products
			2	Day-ahead title products
		N/A	3	**Balancing Services** Balancing Service - Sell Balancing Service - Buy
SK	Slovak transmission system	(Interim Measure) Balancing Platform	1	Within-day title products and day-ahead title products (depending on the need)
		N/A	2	**Balancing Services** flexibility contract
		CEGH Exchange (AT)	3	Within-day title products and day-ahead title products (depending on the need) in adjacent trading zone (CEGH Exchange)
UK-GB	Great Britain	WebICE (also known as OCM)	1	OCM TITLE DAY
			2	OCM LOCATIONAL DAY
UK-NI	Northern Ireland	(Interim Measure) Alternative to Balancing Platform (as IM) in place	–	**Balancing Services** Balancing Buy Sell Contract

COUNTRY	INCENTIVE MECHANISM FOR TSOS TO OPTIMISE THEIR BALANCING ACTIONS
Table 2.9: Incentive mechanism for TSOs to optimise their balancing actions	
AT	Physical balancing of TSOs has to be done primarily by the usage of linepack. If necessary the Market Area Manager procures volumes at the VTP to the best achievable market price according to his GTC.
BE/LU	When a Within Day or End of Day event occurs, the balancing operator will purchase/sell gas on trading platform on a market-based manner on the virtual trading point ZTP. The balancing operator transaction is a reaction on the behaviour of the market, based on transparent fully accessible hourly information and forecasting data for all market participants. The market will create the price of the gas at the moment the settlement occurs. All operator transactions are done anonymously on the virtual trading point ZTP using the trading services provided by the market operator (no OTC allowed). As such there is no need to install an incentive mechanism for the operator. See further comment daily imbalance charges.
ES	According to NRA's Circular which implements the Balancing Network Code in Spain, the entity in charge of balancing issues in Spain must propose, for NRA's approval, an incentives mechanism to promote efficiency in the use of balancing actions. The mechanism was submitted to public consultation in January 2016 and it is based on the number of times the balancing actions determine the marginal price.
FR	The incentive mechanism does not specifically target the balancing expenditures. However, GRTgaz and TIGF are incentivized to reduce their OPEX, in particular their fuel costs and the cost the balancing services they have to subscribe. If they manage to spend less than expected in the tariff trajectory, they will keep a portion of the saved money.
UK-GB	To ensure the GB TSO does not incur excessive costs for the industry, the NRA already incentivises the GB TSO to balance and trade efficiently through 'Residual Balancing' Incentives. The TSO is incentivised in two ways: (i) To minimise the price spread of its balancing actions (to restrict the impact of such actions on the market price); and (ii) To minimise the change in the linepack volumes between the start and end of the day. By seeking resolve any system imbalances on the relevant day the costs of such are targeted to those responsible for the imbalance. Further information is available at the following: http://www2.nationalgrid.com/uk/industry-information/gas-system-operator-incentives/residual-balancing/

ANNEX III: INFORMATION PROVISION (CHAPTER VIII OF BAL NC)

Country	Information provision model
CZ, DK, ES, IE, IT, LT, FR, PL, UK-GB, UK-NI	Base case
BE, BG, HU, LU, NL, SE, SI	Variant 1
DE, EE,, PT	Variant 2
HR, RO	No final decision taken yet
AT*, EL, SK	Not applicable

* Information provision in relation to non-daily metered off-takes on transmission system level is not applicable in Austria, as there are no non-daily metered offtakes in the transmission system. In case a non-daily metered offtake point is connected to the transmission system, Austria will apply the "base case" model.

Table 3.1: Model for information provision implemented by 1 October 2015

COUNTRY	WHAT IS THE PERIOD OF TIME DEFINED BY THE APPLICABLE NATIONAL RULES FOR PROVIDING THE FINAL ALLOCATION FOR NETWORK USER INPUTS/OFF-TAKES AND THE FINAL DAILY IMBALANCE QUANTITY IN ACCORDANCE TO ARTICLE 37(3)?
Table 3.2: Overview on expected time period for providing the final allocation and the final daily imbalance quantity	
AT	Allocation notifications (ALOCAT) for D-1 until 12am D.
BE	30 minutes after the closure of the gas day
BG	In line with the new Balancing Rules the TSO shall notify every NU of the initial daily imbalance for day D no later than 1:00 pm on gas day D+1. TSO shall provide a NU with its final daily imbalance for every day of the month, as soon as possible, however no later than 5,00 pm on the 4th day of the month following the reporting month.
CZ	M+1; 12:00 of 9th calendar day or 6th working day.
DE	Since information model variant 2 is applied in Germany, network users receive final allocation data for non-daily metered consumers already on D-1 at 14:00 UTC (winter time) or 13:00 UTC (daylight saving) based on a forecast. For all other inputs and offtakes, final allocation data is provided at D+1 14:00 UTC (winter time) or 13:00 UTC (daylight saving).
DK	Gas day plus one day. Final allocation is updated after one month, four months and fifteen months.
EE*	On the 3rd day after the accounting period (month) according to standard terms and conditions of balancing contract.
EL	Final allocation is notified to the Network Users on the 10th working day of the month immediately succeeding the month concerned.
ES	The final daily imbalance quantity will be communicated 15 months after the gas day, although an estimation will be provide 3 months after the gas day, once the operator have the meter readings of non-daily metered consumption.
FR	Final daily imbalance is updated before the 10th working day of the next Month
HR	Already applied, but necessary adjustments under discussion.
HU	D+1 10:00
IE	D+5
IT	According to the relevant national rules (Annex A to 229/2012/R/gas resolution - TISG, as implemented in SRG Network Code approved by the NRA) the TSO makes available to Shippers the final gas transportation balance no later than the 28th day of the month following the one to which the balance refers (postponed to the next working day in case of weekends or public holidays).
LT	TSO provides each network user with the final allocation for its inputs and the final daily imbalance quantity no later than the third working day after the end of the reporting period.
LU	30 minutes after the closure of the gas day within the BeLux integrated market
NL	The accountable near real time allocation, which is available 15 minutes past the Gas Day counts as End-of-Day position for the calculation of the volume to be absorbed in the Linepack Flexibility Service.
PL	1) National Gas System H-methane: final allocations are provided by the TSO without unreasonable delay after the end of the gas month. 2) National Gas System L-methane: final allocations are provided by the TSO without unreasonable delay after the end of the gas month. 3) Transit Gas Pipeline System: The final allocations are provided by the TSO until 7th day of the next month (M+1).
PT	Under discussion. This will depend on the information model to be implemented.
RO	The deadline for the communication of the final allocation related to month M on the 10th day of the month M+1 and final daily imbalance quantity related to month M is the 13th of month M+1
SE	At latest at the 25th the month after.
SI	The TSO must provide the final allocation till 10th calendar day of the respective month and within 10 working days final daily deviations for past month as defined in the Article 111 of the national NC.
SK	10th calendar day after the end of the respective month
UK-GB	The UNC TPD Section E1.8 prescribes: the "Entry Close-out Date" as 24:00 hours on the 15th Business Day of the calendar month following the month in which the Gas Flow Day occurs; and the "Exit Close-out Date" is the 5th Day after the Gas Flow Day. From these points no revision shall be made for any purposes of the Code (including the determination of Users' Daily Imbalances and Energy Balancing Charges): after the Entry Close-out Date, to any quantity determined pursuant to the Code as being an UDQI (User Daily Quantity Input); or after the Exit Close-out Date, to any quantity determined pursuant to the Code as being an UDQO (User Daily Quantity Offtaken).
UK-NI	D+5 Five days after the end of the gas day

COUNTRY	HAVE YOU ASKED THE TSO, THE DSO AND/OR TO THE FORECASTING PARTY/PARTIES TO PROPOSE AN INCENTIVE MECHANISM ACCORDING TO ARTICLE 39(4) OF BAL NC?

Table 3.3: Details about the incentive mechanism regarding the accurate forecast for a network user's non-daily metered off-takes

DE	According to GaBi Gas 2.0 network operators in collaboration with the MAMs shall propose an incentive mechanism for the provision of a precise forecast for SLP exit points (SLP consumer group is equivalent to "NDM" consumer group in BAL NC) according to Article 39 (4) BAL NC. This should further improve the matching of the DSO's forecasts with the real flows on a daily basis. The proposal has to envisage distributions by the MAM to the DSO and payments by the DSO to the MAM if offtake and allocated quantities for a day are higher or lower than the forecasted quantities. The determination of these differential quantities for SLP exit points shall be performed on the basis of comparing the forecasted daily quantities with the provisionally determined physical offtakes. In the determination of the provisional SLP offtakes, the calculations shall exclude the daily differential quantities from RLM exit points (RLM consumer group is equivalent to "IDM" consumer group in BAL NC). The incentive effect shall be ensured by a provisional settlement of the daily differential quantity or quantities. The balance of the provisional settlement can also be netted until the end of the respective month. The SLP incentive system shall be implemented until 1 October 2016.
ES	In order to be included in the Spanish Network Code, the gas sector must propose incentives for operators related to the quality of information provided and the deadlines to provide it. This proposal must be sent to the Ministry of Industry for approval before end of May 2016.
IT	Following a request of the Italian NRA, on Oct 2014 Snam Rete Gas elaborated a proposal for establishing an economic incentive scheme for the demand forecasts related to the current and following gas day. Specifically, Snam Rete Gas proposal consists in a rewards/penalties design linked to the daily percentage error of forecasts, including cap and collar to the possible gain/losses. In this context, the Italian NRA has also issued on the 23th of July 2015 a consultation document on incentive mechanisms related to the balancing regime, in order enhance the forecasting data quality and the efficiency of the balancing actions undertaken by SRG (consultation document available at this link: http://www.autorita.energia.it/allegati/docs/15/378-15.pdf).

Image courtesy of Reganosa S.A.

ANNEX IV: DAILY IMBALANCE CHARGES (CHAPTER V OF BAL NC)

COUNTRY	1. CALCULATION OF THE DAILY IMBALANCE QUANTITY 2. DERIVATION OF THE APPLICABLE PRICE 3. ANY OTHER NECESSARY PARAMETERS 4. FORMULA
Table 4.1: Description of Daily imbalance charge methodology	
AT	1. The daily imbalance of each balance group is given by the balance of: – the allocated nominations for transmission network entry and exit points in the market area; – the schedule notifications for entry and exit points in the distribution area ("Local Border Traffic"), including storage, production and biogas injection to the grid; – the net trading volumes at the virtual trading point including any delivery instructions from the gas exchange; – the notified consumer schedules (including schedules for large customers); – the carry forward account. 2. Daily imbalances are settled at the exchange of the VTP in the name and on behalf of the respective balance group responsible party if the BGRPs do not balance themselves after receiving an imbalance notification. Thus, the imbalance charge is the market price at the exchange. This method is already implemented since January 2013. 3. Yes, but in case the imbalances are below tradable volumes (< 24 MWh/d) this will be considered as carry-forward for the next gas day. 4. –
BE	1. At the end of the gas day, the balancing operator will settle the daily imbalance position of all grid users to zero. The daily imbalance position of a grid user is equal to the sum of its provisional entry allocations and its provisional exit allocations, being domestic consumptions or exit towards other countries. Grid users can either be long or short, but are also "causer" or "helper" of the end-of-day market imbalance. A "causer" is a grid user whose end-of day position is in the same direction of the market imbalance. A "helper" is a grid user whose end-of day position is in the opposite direction of the market imbalance, so this grid user makes it easier for the operator to balance its system and reduces the quantity to purchase or to sell. 2. A marginal sell price and a marginal buy price shall be calculated for each gas day pursuant to the following: (a) a marginal sell price is the lower of: (i) the lowest price of any sales of title products in which the transmission system operator is involved in respect of the gas day; or (ii) the weighted average price of gas in respect of that gas day, minus a small adjustment. (b) a marginal buy price is the higher of: (i) the highest price of any purchases of title products in which the transmission system operator is involved in respect of the gas day; or (ii) the weighted average price of gas in respect of that gas day, plus a small adjustment. In case the grid user is a "helper" of the market imbalance, the small adjustment will be equal to 0%. In case the grid user is a "causer" of the market imbalance, the small adjustment will be equal to 3 %. These percentages have been approved CREG. It will always be possible to calculate the marginal price as there is always at least a weighted average price. If for whatever reason no weighted average price is available, the previous available weighted average price will be taken into account. All definitions in Access Code for Transmission – Attachment A – see 3.4 3. No 4. –
BG	1. No 2. – 3. – 4. In the methodology we have provided the following method for derivation of the applicable price: A) All daily imbalances are subject to a financial settlement to the financial account of the respective user where for each day of the month the individual position of the financial account shall be changed with amounts calculated pursuant to the formulas: B) For the part of the daily imbalance falling within the given tolerance: 1. If the absolute value of the daily imbalance is greater than the calculated tolerance for the day D according to the imbalance sign: S_T^D=±T^D P_NGB^D 2. If the absolute value of the daily imbalance is less than the calculated tolerance for the day D: S_T^D=Δ^D P_NGB^D C) for the imbalance part outside the given tolerance – it is calculated in case the daily imbalance in absolute figure is greater than the calculated tolerance for the day D pursuant to the formula: 1. if the imbalance is positive S_OT^D=([ABS(Δ]^D)-T)(P_NGB^D-SAxP_NGB^D) 2. if the imbalance is negative S_OT^D=-([ABS(Δ]^D)-T)(P_NGB^D+SCxP_NGB^ , where: S_T^D- sum of settlement of the daily imbalance within the tolerance BGN; S_OT^D – sum of settlement of the daily imbalance outside the tolerance BGN; P_NGB^D – price for natural gas balancing for the day D in BGN./MWh; T^D– calculated tolerance for the day D, MWh; [Δ^D]^ – value of defined imbalance for the day D, MWh; SA – small adjustment in %
CZ	–
DE	1. The daily imbalance quantity is determined for each balancing group on the basis of the net balance between daily inputs and offtakes using the finally allocated quantities. 2. Daily positive imbalance price = max{highest balancing gas purchase MAM, average price of gas * 1.02} The daily positive imbalance price is the higher of the following two prices: "the highest price of all balancing gas purchases by the market area manager for the gas day in question" or "the weighted average price of gas in respect of that gas day, plus a small adjustment of two percent". daily negative imbalance price = min{lowest balancing gas purchase MAM, average price of gas * 0.98} The daily negative imbalance price is the lower of the following two prices: "the lowest price of all balancing gas sales by the MAM for the gas day in question" or "the weighted average price of gas in respect of that gas day, minus a small adjustment of two percent". In order to determine the highest and lowest price of all balancing gas purchases and sales, only those balancing transactions shall be used that are carried out on a global (MOL rank 1) or quality-specific basis (quality specific products within MOL rank 2) via the relevant trading platforms with delivery at the virtual trading point (including day-ahead and within-day products). In the case of day-ahead products, the day of delivery is the decisive date. In order to determine the weighted average price of gas, the weighted average price formed at the relevant trading platforms with delivery at the virtual trading point (including day-ahead and within-day products) shall be used. 3. n/a 4. 4-
DK	1. Full Cash-out EOD 2. Market Price plus/minus small adjustment of 0.5/2 percent or marginal price 3. – 4. –

Table 4.1: Description of Daily imbalance charge methodology

COUNTRY	1. CALCULATION OF THE DAILY IMBALANCE QUANTITY 2. DERIVATION OF THE APPLICABLE PRICE 3. ANY OTHER NECESSARY PARAMETERS 4. FORMULA
EE	1. – 2. – 3. – 4. Based on actual costs incurred +- little adjustment.
EL	1. The daily imbalance of the Network User (NU) is calculated as the difference between the inputs and offtakes of the said NU, reduced by the UFG quantity which is allocated to the above NU. The UFG is allocated pro-rata to the offtakes of the NUs, active during that day. 2. The daily balancing gas unit price is calculated as the quantity weighted average LNG supply price, which has been procured by the TSO, in the framework of balancing services, and stored in the Revythoussa LNG terminal tanks, for balancing purposes. 3. Since the TSO books transmission and LNG capacity in order to take balancing actions, the relevant cost is reimbursed by the active Network Users and is allocated to them according to a methodology approved by the Regulatory Authority. 4. –
ES	1. – 2. – 3. – 4. 4. The formula must follow the principles established in Article 22 of the Balancing Network Code, included in the NRA's Circular published on 4 August 2015. According to this Circular and Enagas GTS's draft submitted to public consultation, the marginal sell price must be the lower of: a) the lowest price of any sales of title products in which Enagas GTS (entity in charge of balancing issues) is involved in respect of the gas day; or b) the weighted average price of gas in respect of that gas day, minus a small adjustment, initially assessed as 2.5 % Likewise, the marginal buy price must be the higher of: a) the highest price of any purchases of title products in which Enagas GTS is involved in respect of the gas day; or b) the weighted average price of gas in respect of that gas day, plus a small adjustment, initially assessed as 2.5 % Imbalance charges will enter into force on 1 October 2016, so the small adjustment has not been assessed yet and its initial value, valid for all users, was fixed by the NRA after public consultation. Users' imbalances will be reduced to 0 each day. The NRA's Circular establishes that locational products are to be used only if gas flow changes are needed at specific entry/exit points. The acquisition of a locational product by Enagas GTS will require the acquisition, also by Enagas GTS, of a title product, which compensate the network balance. The user selling/buying gas to Enagas GTS as a locational product must keep the committed flow at the entry/exit point.
FR	1. "daily imbalance quantity = inputs – off-takes" for each zone 2. the small adjustment is equal to 2,5% in each zone. Within the Trading Region South, the same marginal price is used by TIGF and GRTgaz. 3. none 4.
HR	1. – 2. – 3. – 4. As prescribed in Art. 23. BAL NC
HU	1. – 2. – 3. – 4. The applicable small adjustment shall be 0 per cent of the weighted average price. Marginal selling and marginal buying prices of a gas day shall be defined as follows: i) the marginal selling price is defined if the transactions concluded on the given gas day are put in specific price order, such marginal selling price shall be the lowest specific price of the following cases: a. in case of title products (MGP), locational products (HEG) the lowest specific price of the transmission system operator's buying transactions, or b. weighted average price defined based of the transaction(s) concluded for title products (MGP), locational products (HEG) less the small adjustment. ii) the marginal buying price is defined if the transactions concluded on the given gas day are put in specific price order, such marginal buying price shall be the highest specific price of the following cases: a. in case of title products (MGP), locational products (HEG) the highest specific price of the transmission system operator's sale transactions, or b. weighted average price defined based of the transaction(s) concluded for title products (MGP), locational products (HEG) plus the small adjustment.
IE	1. Each Shipper shall have attributed to it a quantity ("Initial Daily Imbalance Quantity" or "IMBInitial") for each Day, which shall be calculated by the Transporter after the Initial Allocations have been made on D+1 and which shall be calculated by subtracting a Shipper's Initial Outputs from its Initial Inputs on the Day in accordance with the following formula: IMBInitial = Initial Inputs – Initial Outputs 2. EXTRACT FROM APPROVED BUSINESS RULES V2.0 (CODE MODIFIACTION A068) 2.1 the First Tier Imbalance Price shall be the Euro equivalent of the System Average Price. 2.2 the Second Tier Imbalance Price shall be: (a) Where the Final Daily Imbalance Charge is positive, the lower of: i) The Euro equivalent of the System Average Price multiplied by 0.95 less the Imbalance Gas Transportation Costs; or ii) The Euro equivalent of the System Marginal Sell Price published by National Grid for the Day less the Imbalance Gas Transportation Costs. (b) Where the Final Daily Imbalance Price is negative, the higher of: i) The Euro equivalent of the System Average Price multiplied by 1.05 plus the Imbalance Gas Transportation Costs; or ii) The Euro equivalent of the System Marginal Buy Price published by National Grid for the Day plus the Imbalance Gas Transportation Costs. 2.3 The Daily Imbalance Charge for each Shipper for a Day shall be determined as : DIC = (FTQ * FTIP) + (STQ * STIP) Where: DIC = The Shipper's Daily Imbalance Charge for the Day FTQ = The Shipper's First Tier Imbalance Quantity for the Day as set out in the Code of Operations 1.6.1 (a) FTIP = The First Tier Imbalance Price for the Day STQ = The Shipper's Second Tier Imbalance Quantity for the Day as set out in the Code of Operations 1.6.1 (b) STIP = The Shipper's Second Tier Imbalance Price 3. n/a 4. –

	1. CALCULATION OF THE DAILY IMBALANCE QUANTITY 2. DERIVATION OF THE APPLICABLE PRICE 3. ANY OTHER NECESSARY PARAMETERS 4. FORMULA
COUNTRY	

Table 4.1: Description of Daily imbalance charge methodology

IT	1. The daily imbalance quantity is calculated accordingly to the formula established by Art. 21 as difference between inputs and off-takes for each network user, adapted with gas in kind provided to cover fuel gas and unaccounted for gas (losses and metering errors). 2. The applicable price is foreseen to be calculated on the basis of the trades completed during the relevant gas day. The weighted average price is then corrected with a small adjustment (% under definition) and compared with lowest/highest sales/purchases of title products by SRG in the day in order to derive marginal sell/buy prices (formula in line with the provisions of Art. 22 for the determination of the applicable price). 3. In case of no transaction relevant for the Gas-day on GME platform, the default rule, proposed by SRG and under AEEGSI evaluation is the use of the weighted average prices over the last 30 days. The BAL NC is not applicable under emergency situations: in these contexts ad-hoc NRA decision would become relevant in terms of applicable price. 4. -
LT	1. The daily imbalance quantity of each market participant during each balancing period is calculated in accordance with the following formula: daily imbalance quantity = inputs - off-takes 2. Marginal buying price or marginal selling price. 3. Small adjustment 4. -
LU	1. At the end of the gas day, the balancing operator will settle the daily imbalance position of all grid users to zero. The daily imbalance position of a grid user is equal to the sum of its provisional entry allocations and its provisional exit allocations, being domestic consumptions or exit towards other countries. Grid users can either be long or short, but are also "causer" or "helper" of the end-of-day market imbalance. A "causer" is a grid user whose end-of day position is in the same direction of the market imbalance. A "helper" is a grid user whose end-of day position is in the opposite direction of the market imbalance, so this grid user makes it easier for the operator to balance its system and reduces the quantity to purchase or to sell. 2. A marginal sell price and a marginal buy price shall be calculated for each gas day pursuant to the following: (a) a marginal sell price is the lower of: (i) the lowest price of any sales of title products in which the transmission system operator is involved in respect of the gas day; or (ii) the weighted average price of gas in respect of that gas day, minus a small adjustment. (b) a marginal buy price is the higher of: (i) the highest price of any purchases of title products in which the transmission system operator is involved in respect of the gas day; or (ii) the weighted average price of gas in respect of that gas day, plus a small adjustment. In case the grid user is a "helper" of the market imbalance, the small adjustment will be equal to 0 %. In case the grid user is a "causer" of the market imbalance, the small adjustment will be equal to 3 %. These percentages have been approved ILR. It will always be possible to calculate the marginal price as there is always at least a weighted average price. If for whatever reason no weighted average price is available, the previous available weighted average price will be taken into account. http://www.balansys.eu/contracts-tariffs/ 3. no 4. –
NL	1. The daily imbalance quantity is by default zero, because the imbalance at the end of the gas day is absorbed by the Linepack Flexibility service. 2. Because the daily imbalance quantity is zero the price according to art. 22 is not relevant. 3. n/a 4. –
PL	1. In accordance with Art. 21.1 daily imbalance quantity = inputs – off-takes 2. For high methane gas balancing area: Marginal Purchase Price (KCKE) – is equal to the higher of the two following prices: – The highest price of any purchases of title products , in which the TSO is involved in respect of the given gas day, – the weighted average price from transactions of Intra-day Market at Polish gas exchange – TGE (index TGEgasID) in relation to this gas day, plus 10 %. Marginal Selling Price (KCSE) – is equal to the lower of the two following prices: – lowest price of any sales of title products, in which the TSO is involved in respect of the given gas day, – the weighted average price from transactions of Intra-day Market at Polish gas exchange – TGE (index TGEgasID) in relation to this gas day, reduced by 10 %. 3. Interim measures: I. For transit Yamal Pipeline (SGT) gas balancing area: 1) Marginal Purchase Price: 110% of higher of: – weighted average price from all transactions of the Polish power exchange (TGE) Day-Ahead Market for H-gas decreased by transportation costs from the SGT to the high methane balancing area, – weighted average price from all transactions of the EEX session of the Day-Ahead Market increased by transportation costs to the SGT through the connection point Mallnow 2) Marginal Selling Price: 90 % of the lower of: – weighted average price from all transactions of the Polish power exchange (TGE) Day-Ahead Market for H-gas decreased by transportation costs from the SGT to the high methane balancing area, – weighted average price from all transactions of the EEX session of the Day-Ahead Market increased by transportation costs to the SGT through the connection point Mallnow (under the daily product on the firm basis). II. For low-methane gas balancing area: 1) Marginal Purchase Price: the higher of: – highest price of transactions on the balancing platform for low-methane gas balancing area, – weighted average price of the transactions on the balancing platform, plus 10 %. 2) Marginal Selling Price: the lower of: – lowest price of transactions on the balancing platform for low-methane gas balancing area, – weighted average price of the transactions on the Balancing platform, minus 10 %. 4. –
PT	under discussion.
RO	1. – 2. – 3. – 4. Please refer to Chapter 2.8 of the Report of the National Gas Transmission Company "Transgaz" S.A. Mediaș, on implementing interim measures, pursuant to the Regulation (EU) No. 312/2014 of the Commission on 26 March 2014 establishing a Network Code on Balancing Gas Transmission Networks. (http://www.transgaz.ro/sites/default/files/report_on_interim_measures_pursuant_to_regulation_no._312-2014._en.pdf)

Table 4.1: Description of Daily imbalance charge methodology

COUNTRY	1. CALCULATION OF THE DAILY IMBALANCE QUANTITY 2. DERIVATION OF THE APPLICABLE PRICE 3. ANY OTHER NECESSARY PARAMETERS 4. FORMULA
SE	1. – 2. – 3. – 4. The imbalance charge when Swedegas is selling gas is 135 % of the ordinary price. When Swedegas is buying gas this charge is 65 % instead.
SI	1. System operating instructions for natural gas transmission(legally unbinding translation) Article 110; http://www.plinovodi.si/wp-content/uploads/2011/02/SON.pdf 2. System operating instructions for natural gas transmission(legally unbinding translation) Article 111, 113; http://www.plinovodi.si/wp-content/uploads/2011/02/SON.pdf 3. n/a 4. -
SK	1. Daily Imbalance Quantity means the difference between the allocated Gas Quantities supplied and off-taken by a User at the end of a Gas day, adjusted by the Quantity of gas provided for operational needs in kind. 2. Interim imbalance charge: Applicable price is the price according to the price decision. Negative imbalance price = (CEGHIX + 0.5)*(1 + small adjustment) Positive imbalance price = (CEGHIX + 0.5)*(1 - small adjustment) 3. small adjustment = 10 % 4. –
UK-GB	1. Residual Balancing charges are summarised in a document on nationalgrid.com in the following location: http://www2.nationalgrid.com/WorkArea/DownloadAsset.aspx?id=4817 To summarise: Balance = (Inputs to NBP + Buy Trades at NBP) – (Sell Trades at NBP - Outputs from NBP) – A Shipper's daily balance is calculated against total volume of gas flowed plus gas trades. – Imbalance is the difference between entry and exit quantities. 2. If NBP shippers are out of balance at the end of the day, they are "cashed out". Shippers who are "long" sell gas at the System Marginal Price – Sell (revenue). This is the lesser of: Lowest Priced TSO Action OR System Average Price (SAP) minus 1.11p/therm Shippers who are short buy gas at the System Marginal Price – Buy (cost). This is the greater of: Highest Priced TSO Action OR SAP + 1.11p/therm 3. n/a 4. –
UK-NI	1. In respect of a Gas Flow Day, the NI TSOs shall determine a Shippers' "Imbalance Tolerance Quantity" or "ITQ" by applying the weighted average percentage tolerance to the sum of a Shipper's Exit Allocations (though not including Trade Sell Allocations as these are allocated whole) where: ITQ = ITP x (∑ Final Exit Allocations D + ∑ Final VRF IP Exit Allocations D) Where a Shipper's Aggregate NI Imbalance exceeds its Imbalance Tolerance Quantity on a Gas Flow Day, the NI TSOs shall determine the amount of the Shippers "Marginal Imbalance Quantity" or "MIQ" as follows: MIQ = Aggregate NI Imbalance - ITQ 2. On any Gas Flow Day on which a Shipper has a Positive Imbalance, a Balancing Charge shall be payable to it equal to the sum of: (a) ITQ x Daily Gas Price; and (b) MIQ x Psmpb ; where Psmpb is the lower of: (i) the Daily Gas Price multiplied by 0.7; or (ii) the System Marginal Sell Price on the relevant Gas Flow Day (as defined in the GB Uniform Network Code). On any Gas Flow Day on which a Shipper has a Negative Imbalance, it shall be liable to pay a Balancing Charge equal to the sum of: (a) ITQ x Daily Gas Price; and (b) MIQ x Psmps ; where Psmps is the higher of: (i) the Daily Gas Price multiplied by 1.5; or (ii) the System Marginal Buy Price on the relevant Gas Flow Day (as defined in the GB Uniform Network Code). 3. n/a 4. –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COUNTRY	1. PLEASE DESCRIBE THE CRITERIA, THE THRESHOLDS AND HOW THE SMALL ADJUSTMENT INCENTIVISES NETWORK USERS TO BALANCE THEIR INPUTS AND OFF-TAKES. 2. HOW THE DESIGN OF THE SMALL ADJUSTMENT MAKES SURE THAT IT IS APPLIED IN A NON-DISCRIMINATORY MANNER AND DOES NOT DETER MARKET ENTRY AND COMPETITION, ETC. (ARTICLE 22.6-7)?
Table 4.2: Description of small adjustment	
AT	–
BE	1. A distinction is made between the small adjustment to be applied to the marginal price for grid users who are contributing to the market imbalance ("causers"), being 3 %, and the small adjustment to be applied to the marginal price for grid users who are reducing the market imbalance ("helpers"), being 0 %. 2. On top of the answer provided under 7.18, the small adjustment is applied to end-of-day and within-day imbalances and has been set up following a consultation process.
BG	–
CZ	See decree published by the Czech NRA – www.eru.cz (Annex 10)
DE	1. The "small adjustment" is a surcharge to or deduction from the weighted average price of gas in order to provide sufficient incentives to balance the balancing groups. This is intended to prevent the balancing group manager from optimising gas purchases and gas sales using imbalance gas. Without a surcharge to or deduction from the average price of gas on days with no procurement of balancing gas there would be insufficient incentive for the balancing group manager to carry out balancing group management himself because the MAM would always cancel out the differences on the basis of the average price of gas. As the management of a balancing group involves costs, without a surcharge or deduction the incentive to supply customers from imbalance gas would actually be increased. This is also likely to have negative repercussions for the security of supply. Furthermore, current information on the cross-border price indicates that this price would be not inconsiderable and on many days above the imbalance price if merely the weighted average price of gas were to be used with no surcharge or deduction. 2. The level of the "small adjustment" is high enough to counter the risk of false incentives but at the same time it is not too high to constitute an additional barrier to market entry for new market participants or to hamper the development of competition or to be an excessive financial burden for network users. The "small adjustment" of 2 % thus conforms to the provisions of Article 22(6) and (7) of the Network Code on Gas Balancing.
DK	1. http://energinet.dk/EN/GAS/Produkter-og-handel/Balance-model-fra-oktober-2014/Sider/End-of-day-settlement-and-pricing.aspx 2. http://energinet.dk/EN/GAS/Produkter-og-handel/Balance-model-fra-oktober-2014/Sider/End-of-day-settlement-and-pricing.aspx
EL	–
ES	1. The initial value of the small adjustment, 2.5 % of the weighted average price, was fixed by the NRA after public consultation. The full implementation of the Balancing Code, specifically provisions on imbalance charges, will enter into force on 1 October 2016, so the impact of the small adjustment have not been assessed till now. 2. The small adjustment was initially fixed by the NRA and it's the same for all the users. In early February 2016, the TSO in charge of the balance in the Spanish system must send a proposal for the small adjustment calculation to the NRA, considering non-discriminatory, competition and transparency principles
FR	1. related to the level of quality of information provision 2. The level of the small adjustment remains very limited and is uniformly applied to all users (daily-metered and non-daily-metered).
HR	–
HU	–
IE	–
IT	1. Small adjustments are set following the criteria that they should represent incentives to balance by creating spreads between the average price and the sell/buy marginal prices. Therefore they should encourage shippers to keep a balanced position. The small adjustment thresholds, currently set at 0.0216 €/MWh, are under revision taking into account the above mentioned criteria. 2. Small adjustments are non-discriminatory as they apply to all imbalances. Small adjustment design will consider the incentive function for users to balance their positions and possible detrimental effects on market competition.
LT	1. The small adjustment is equal to 10 % of gas price. The small adjustment increase the total payable amount for the imbalance that network user caused and incentivises network users to keep as small imbalance as possible. 2. The same small adjustment is applied for all network users and is clearly described in Balancing Rules.
LU	1. A distinction is made between the small adjustment to be applied to the marginal price for grid users who are contributing to the market imbalance ("causers"), being 3 %, and the small adjustment to be applied to the marginal price for grid users who are reducing the market imbalance ("helpers"), being 0 %. 2. On top of the answer provided under 7.18, the small adjustment is applied to end-of-day and within-day imbalances and has been set up following a consultation process.

COUNTRY	1. PLEASE DESCRIBE THE CRITERIA, THE THRESHOLDS AND HOW THE SMALL ADJUSTMENT INCENTIVISES NETWORK USERS TO BALANCE THEIR INPUTS AND OFF-TAKES. 2. HOW THE DESIGN OF THE SMALL ADJUSTMENT MAKES SURE THAT IT IS APPLIED IN A NON-DISCRIMINATORY MANNER AND DOES NOT DETER MARKET ENTRY AND COMPETITION, ETC. (ARTICLE 22.6-7)?
Table 4.2: Description of small adjustment	
NL	–
PL	1. The value of the small adjustment is 10 % of the weighted average price. The adjustment was set at such level in order to avoid the situations where TSO is the supplier or recipient of the Shippers. The small adjustment shall be related to the potential costs of alternative actions that can and indeed should be taken by the Shipper. Such actions are transactions concluded on liquid trading platforms or activities related to short-term storage of gas in storage facilities. The rate of small adjustments should be determined at the level that would incentivise Shippers to balance their portfolios by making transactions on trading platforms rather than to settle the imbalance with the TSO. Shippers active on Polish gas market have access to 2 trading platforms: TGE and EEX. Marginal buying price should be higher than the day-ahead or within-day price on EEX trading platform plus transport costs to Polish high methane gas balancing area. Marginal selling price should be lower than the day-ahead or within-day price on EEX trading platform minus transport costs from Polish high methane balancing area to the balancing area where they can trade on EEX. The costs of gas storage were also taken into consideration. Such methodology meets the conditions of Art.22 BAL NC because it is market based, supports the development and short-term liquidity markets, both local and neighbouring, incentivizing the Shippers to carry out balancing transactions between the shippers on trading platforms. 2. The small adjustment at the level of 10 % makes the marginal prices more predictable, because it reduces the risk that the TSOs balancing transaction will be the factor influencing the marginal prices. Reducing the financial risk is important for new Shippers making decisions about starting and developing activity in this area.
PT	–
RO	–
SE	–
SI	1. The marginal sell/buy price (+/- 10 %) should stimulate the network users to use STPS and not the balancing system service for transmission system. 2. The small adjustment is defined in System operating instructions for natural gas transmission which was accepted after the public consultations. TSO didn't receive any additional questions during the procedure from the interested parties.
SK	1. The small adjustment of 10 % applies equally to all network users with imbalance (no differentiation based on volumes or other parameters). It is sufficient to incentivise network users to balance their inputs and off-takes and no "misuse" of balancing was observed until now. 2. The small adjustment is applied on all shippers. The imbalance in Slovak transmission balancing system can be created mainly by confirmed nomination of unequal entry and exit volumes so it is driven by network user activity and the imbalance can be even avoided by re-nomination.
UK-GB	1. The criteria and thresholds for the small adjustment are set out in 7.13. The default adjustment of 1.11p/therm currently works out at around 3.5 % of SAP, a significant enough figure to drive balancing behaviour based on historical experience, but not to deter market participation. If the TSO needs to provide additional incentive to balance, it enters the market with a view to moving the default adjustment further away from SAP which is effective at incentivising shippers to balance their own portfolios. 2. The default adjustment is applicable to all market participants and is calculated annually. As per the TSO work instructions, the default adjustment in GB should be no more than 10 % of expected SAP based on forward prices.
UK-NI	–


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COUNTRY	1. PRODUCTS USED TO DETERMINE THE MARGINAL SELL PRICE 2. PRODUCTS USED TO DETERMINE THE MARGINAL BUY PRICE 3. PRODUCTS USED TO DETERMINE THE WEIGHTED AVERAGE PRICE 4. THE "DEFAULT RULE" APPLIED IN CASE THE MARGINAL SELL AND BUY PRICES AND THE WEIGHTED AVERAGE PRICES ARE NOT AVAILABLE
Table: 4.3: Determinations of the marginal sell and buy price, the weighted average price and the "default rule"	
AT	1. The market area manager shall be entitled to set the limits of buy and sell orders, i. e., a price in a range of 20 % above or below the reference price published by the operator of the virtual trading point on the basis of traded Day-Ahead and weekend contracts on the exchange. 2. The market area manager shall be entitled to set the limits of buy and sell orders, i. e., a price in a range of 20 % above or below the reference price published by the operator of the virtual trading point on the basis of traded Day-Ahead and weekend contracts on the exchange. 3. n/a 4. The market area manager shall be entitled to widen this range under certain market conditions in order to ensure effective balancing by eliminating daily imbalances via the gas exchange.
BE	1. Within-day title products 2. Within-day title products 3. Within-day title products 4. It will always be possible to calculate the marginal price as there is always at least a weighted average price. If for whatever reason no weighted average price is available, the previous available weighted average price will be taken into account.
BG	–
CZ	1. All title products sold in the context of balancing actions 2. All title products but also price of any other balancing actions procured in the context of balancing actions may determine the marginal sell and buy price. 3. Index OTE based on all traded gas volumes 4. NCG daily reference price
DE	1. All global (MOL rank 1) or quality-specific (quality-specific products within MOL rank 2) balancing sell transactions of the MAM for the gas day in question via the relevant trading platforms (PEGAS and ICE ENDEX [NCG only]) with delivery at the virtual trading point (including day-ahead and within-day products). 2. All global (MOL rank 1) or quality-specific (quality-specific products within MOL rank 2) balancing buy transactions of the MAM for the gas day in question via the relevant trading platforms (PEGAS and ICE ENDEX [NCG only]) with delivery at the virtual trading point (including day-ahead and within-day products). 3. The weighted average price of gas is formed at the relevant trading platform (PEGAS) for the gas day in question with delivery at the virtual trading point (including day-ahead and within-day products). 4. If it is not possible to determine the imbalance prices on the basis of the principles described, the respective imbalance price of the previous day shall be used. This also applies if the imbalance price of the previous day was already formed according to this default rule.
DK	1. The lowest of either Day-ahead (Gaspoint Nordic Spot index) and within-day (50 % + 50 %) minus small adjustment or TSO marginal price 2. Day-ahead (Gaspoint Nordic Spot index) and within-day (50% + 50%) plus small adjustment or TSO marginal price 3. Day-ahead (Gaspoint Nordic Spot index) and within-day (50% + 50%) 4. There are always a Price according to the rules on Gaspoint Nordic
EL	1. Marginal sell price is not determined 2. Marginal buy price is not determined 3. Weighted average price is not determined 4. It's not determined yet
ES	1. According to the NRA's Circular, the marginal sell price must be the lower of: a) the lowest price of any sales of title products in which the transmission system operator is involved in respect of the gas day; or b) the weighted average price of gas in respect of that gas day, minus a small adjustment, initially assessed as 2.5 % 2. According to the NRA's Circular, the marginal buy price must be the higher of: a) the highest price of any purchases of title products in which the transmission system operator is involved in respect of the gas day; or b) the weighted average price of gas in respect of that gas day, plus a small adjustment, initially assessed as 2.5 % 3. The methodology to calculate the daily imbalance charges has not been approved yet (submitted to public consultation in January 2016) 4. The methodology to calculate the daily imbalance charges has not been approved yet (submitted to public consultation in January 2016)
FR	1. within-day products 2. within-day products 3. within-day products 4. This is calculated every day by Powernext on the basis of the weighted average of within-day transactions on the respective hubs (PEG Nord/TRS) +/- 2.5 %
HR	–
HU	–
IE	Not applicable as standardised products not yet implemented. System Average Price in GB is used as reference price; No default rule.
IT	1. All title products being part of transactions relevant for a gas-day on GME platform are used to determine the weighted average price. In case a small adjustment is introduced, this amount is subtracted to the weighted average price in order to determine the marginal sell price. 2. All title products being part of transactions relevant for a gas-day on GME platform are used to determine the weighted average price. In case a small adjustment is introduced, this amount is added to the weighted average price determine the marginal buy price. 3. All title products being part of transactions relevant for a gas-day on GME platform are used to determine the weighted average price. 4. In case of no transaction relevant for the Gas-day on GME platform, the default rule is the use of the weighted average prices over the last 30 days. The BAL NC is not applicable under emergency situations: in these contexts ad-hoc NRA decision would become relevant in terms of applicable price.

Table: 4.3: Determinations of the marginal sell and buy price, the weighted average price and the "default rule"

COUNTRY	1. PRODUCTS USED TO DETERMINE THE MARGINAL SELL PRICE 2. PRODUCTS USED TO DETERMINE THE MARGINAL BUY PRICE 3. PRODUCTS USED TO DETERMINE THE WEIGHTED AVERAGE PRICE 4. THE "DEFAULT RULE" APPLIED IN CASE THE MARGINAL SELL AND BUY PRICES AND THE WEIGHTED AVERAGE PRICES ARE NOT AVAILABLE
LT	1. Daily products in Natural Gas Exchange. 2. Daily products in Natural Gas Exchange. 3. Daily products in Natural Gas Exchange. 4. The default rule is not defined.
LU	1. Within-day title products (on the Exchange Platform IceIndex of ZTP) 2. Within-day title products (on the Exchange Platform IceIndex of ZTP) 3. Within-day title products (on the Exchange Platform IceIndex of ZTP) 4. It will always be possible to calculate the marginal price as there is always at least a weighted average price. If for whatever reason no weighted average price is available, the previous available weighted average price will be taken into account.
NL	Because the daily imbalance quantity is zero the price according to art. 22 is not relevant.
PL	1. For high-methane gas balancing area: – intra-day short-term standardised title products of Polish gas exchange TGE in which the TSO is involved; – short-term standardised title products (day ahead and intra-day) of the trading platform for neighbouring balancing area (GASPOOL) in which the TSO is involved. 2. For high-methane gas balancing area: – intra-day short-term standardised title products of Polish gas exchange TGE in which the TSO is involved; – short-term standardised title products (day ahead and intra-day) of the trading platform for neighbouring balancing area (GASPOOL) in which the TSO is involved. 3. Intraday title products of Polish gas exchange TGE. 4. For high-methane gas balancing area: In case the weighted average price (the weighted average price from transactions of Intra-day Market at Polish gas exchange TGE - index TGEgasID) is not available, the last published TGEgasID index will be applied.
PT	–
RO	–
SE	–
SI	System operating instructions for natural gas transmission(legally unbinding translation) Article 111; http://www.plinovodi.si/wp–content/uploads/2011/02/SON.pdf
SK	–
UK-GB	1. When the GB TSO buys or sells gas – it will do so on the WebICE Gas Trading Platform, which is also known as the OCM. This is a market based, financially cleared, screen based electronic trading system where network users, gas traders and the GB TSO can trade anonymously. The platform is operated by ICE Endex Gas Spot Ltd. Only title trades at the hub on this platform are used to determine the System Average Price (SAP), from which the marginal sell price is determined. 2. As per previous question. Only title trades at the hub on this platform are used to determine the System Average Price (SAP), from which the marginal buy price is determined. 3. As per previous questions. Only title trades at the hub on this platform are used to determine the System Average Price (SAP). 4. A 'default' adjustment (the 'Default System Marginal Price') is required when the GB TSO does not undertake any Market Balancing Actions within a day and accordingly a default marginal price is applied. The GB TSO publishes a default system marginal price by no later than August each year which is applicable for the forthcoming gas year (October to September). The default adjustment for GB currently outturns at between 1–2 % of the System Average Price (£1.11) and is calculated as follows: Default System Marginal Price Calculation = {Annual Compressor Fuel Cost (£) x 100} / Total System Demand (TWh) x 10 + Average Forecast NTS Capacity Charges (pence/kWh)
UK-NI	1. n/a 2. n/a 3. n/a 4. "Daily Gas Price" shall: (i) firstly, be equal to the System Average Price (as defined in the GB Uniform Network Code) on the relevant Day; (ii) secondly, where for any Day the System Average Price is not available the Daily Gas Price for that Day shall be equal to the arithmetic mean of the System Average Price for each of the 7 preceding Days; and (iii) lastly, where for any Day for any reason the System Average Price is not available under section 4.1.1(a)(i) or calculated under section 4.1.1(a)(ii), or if it is disputed, be such alternative price as Premier Transmission may reasonably determine.

ANNEX V: NEUTRALITY (CHAPTER VII OF BAL NC)

COUNTRY	DID YOU PUBLISH THE METHODOLOGY FOR THE CALCULATION OF THE NEUTRALITY CHARGES FOR BALANCING BY OCTOBER 2015? PLEASE PROVIDE THE LINK TO THE PUBLICATION.
Table 5.1: Links to the methodology for the calculation of the neutrality charge	
AT	n/a
BE	http://www.creg.info/pdf/Decisions/B656G-29FR.pdf http://www.ilr.public.lu/gaz/decisions_reglements/regles_acces_equilibrage/regles_equilibrage/2015/E15_40_ILR/Decision-E15-40-ILR-du-14-septembre-2015.pdf
BG	–
CZ	http://www.eru.cz/documents/10540/1802504/PTP_349_2015_UZ.pdf
DE	Notification of proceedings and first consultation: http://www.bundesnetzagentur.de/DE/Service-Funktionen/Beschlusskammern/1BK-Geschaeftszeichen-Datenbank/BK7-GZ/2014/2014_0001bis0999/2014_001bis099/BK7-14-0020_BKV/BK7-14-020_Einleitung%20GABi%20Gas%202.0_final_Gesamt_EN_BF.pdf?__blob=publicationFile&v=5 Second consultation: http://www.bundesnetzagentur.de/DE/Service-Funktionen/Beschlusskammern/1BK-Geschaeftszeichen-Datenbank/BK7-GZ/2014/2014_0001bis0999/2014_001bis099/BK7-14-0020_BKV/BK7-14-020_2.%20Konsultation_englisch_BF.pdf?__blob=publicationFile&v=2
DK	http://energinet.dk/SiteCollectionDocuments/Engelske%20dokumenter/Gas/Balancing%20model%20evaluation.pdf
EL	http://www.desfa.gr/wp-content/uploads/2016/03/Unofficial-Translation-of-NC-v3.pdf
ES	The methodology for the calculation of the neutrality charges is contained in the NRA's Circular, which can be found at: http://www.cnmc.es/Portals/0/Ficheros/Energia/Circulares/Circular_2_2015/CIRCULAR%202-2015%20BOE.pdf
FR	https://www.tigf.fr/en/our-publications/transport-publications/imbalance-settlement.html https://www.grtgaz.com/fileadmin/clients/fournisseurs/documents/en/Find-out-more-about-Balancing-Rules-and-Alizes-service-on-October-1-2015.pdf
HR	-
HU	https://fgsz.hu/hu-hu/Documents/uksz/publikalt_torzs_6454-2015_mekh_hat_alapjan.pdf
IE	http://www.gasnetworks.ie/en-IE/Gas-Industry/Services-for-Suppliers/Code-of-operations/code-mods/Approved-Modifications/A068-Balancing/
IT	http://www.autorita.energia.it/allegati/docs/11/045-11arg_ti.pdf
LT	http://www.regula.lt/SiteAssets/teises-aktai/03-367_RedakcijaNr_12.pdf
LU	http://www.ilr.public.lu/gaz/decisions_reglements/regles_acces_equilibrage/regles_equilibrage/2015/E15_40_ILR/Decision-E15-40-ILR-du-14-septembre-2015.pdf
NL	https://www.acm.nl/nl/publicaties/publicatie/12879/Implementatie-Netcode-Balancing/ From the decision it can be concluded that neutrality as defined in the Balancing Code is guaranteed by the methodology.
PL	http://en.gaz-system.pl/fileadmin/pliki/taryfa/en/Mechanism_ensuring_cost_neutrality_of_balancing_measures.pdf
PT	–
RO	–
SE	–
SI	System operating instructions for natural gas transmission(legally unbinding translation), http://www.plinovodi.si/wp-content/uploads/2011/02/SON.pdf
SK	NRA web site: http://www.urso.gov.sk:8088/CISRES/Agenda.nsf/0/B32D5B483163FA17C1257ED2002C5484/$FILE/0016_2015_P.pdf
UK-GB	The neutrality mechanism in place for GB is approved by the NRA. UNC TPD Section F System Clearing, Balancing Charges and Neutrality contains full details: http://www.gasgovernance.co.uk/sites/default/files/TPD%20Section%20F%20-%20System%20Clearing,%20Balancing%20Charges%20and%20Neutrality_17.pdf
UK-NI	http://premier-transmission.com/media/PTL%20Transportation%20Code%20-%20Version%207.0%20(1st%20October%202015).pdf (19.2)

COUNTRY	EXAMPLE OF INVOICES ACCOMPANIED BY SUFFICIENT SUPPORTING INFORMATION
Table 5.2: Example of invoices accompanied by sufficient supporting information	
BE	Grid users are provided with a.o. a detail of their provisional domestic exit allocations, based on which the neutrality charge is applied. Yet, since the approved neutrality charge is equal to 0 €/MWh, this is of limited relevance.
DE	With regards to neutrality charges, invoices for the settlement of balancing portfolios contain the following information: – The monthly quantities for which the neutrality charge for RLM-consumer is charged (total offtake of RLM-consumers in the balancing portfolio) – The monthly quantities for which the neutrality charge for SLP-consumers is charged (total offtake of SLP-consumers in the balancing portfolio) – The level of the RLM-consumer neutrality charge – The level of the SLP-consumer neutrality charge – The total cost based on the RLM-consumer neutrality charge – The total cost based on the SLP-consumer neutrality charge
EL	All the necessary data is provided in order for the NU to be able to calculate the balancing charges imposed, provided that commercially sensitive information of other network users is not violated. The natural gas quantity delivered and off-taken, on behalf of the network user, the UFG allocated to the NU, the daily balancing gas price, the daily imbalance charge, as well as the sum of offtakes during a month and the system's UFG, accompany the relevant imbalance invoice.
ES	Although these provisions will enter into force on 1 October 2016, NRA's Circular envisages that users will have enough information to track their invoices for imbalances. According to NRA's Circular, the entity in charge of balancing in the Spanish system must proposed, in early February 2016, a detailed procedure for invoicing imbalances and balancing actions to the NRA, for its approval. In January 2016 Enagas GTS submitted a draft procedure to public consultation.
IT	The examples will be provided once the BAL NC will be fully implemented. Currently systems are going to be designed in line with provisions requested by Art. 30.4
LU	Grid users are provided with a.o. a detail of their provisional domestic exit allocations, based on which the neutrality charge is applied. Yet, since the approved neutrality charge is equal to 0 €/MWh, this is of limited relevance.
PL	Each invoice is accompanied by following information: 1) neutrality rate (or neutrality rates) applying in a given settlement period, and 2) total volume of gaseous fuel sent by the Shipper in the settlement period at the entry points and exit points of the transmission system, excluding virtual points.
SK	The information on balancing revenues and charges is published at the website.
UK-GB	Each Invoice Document will specify (UNC Section S 1.3): a) the identity of the User b) the Billing Period to which the Invoice Document (other than as respects any Invoice Credit) relates c) the Invoice Type d) in respect of each Invoice Item, the Invoice Amount; e) a unique number by which the Invoice Document may be identified, and a reference number for each Invoice Item f) the amount of Value Added Tax (if any) payable in respect of each Invoice Item and the further details required under Regulation 14 of the Regulations referred to in paragraph 1.1.4. A "Balancing Invoice" (Section S, Annex S1-5) contains the following Invoice Items on a daily basis: a) Market Balancing Action Charges in respect of Market Balancing Sell Actions b) Daily Imbalance Charges in respect of which National Grid NTS is the seller c) Scheduling Charges - Input d) Scheduling Charges - Output e) Balancing Neutrality Charges f) Not used g) Reconciliation Neutrality Charges – NDM Reconciliation and CSEP Reconciliation for Unmetered Connected System Exit Points h) Reconciliation Neutrality Charges - DM Reconciliation and CSEP Reconciliation for Metered Connected System Exit Points i) Market Balancing Action Charges in respect of Market Balancing Buy Actions (a self-bill amount) j) Daily Imbalance Charges in respect of which the User is the seller (self-bill amount) k) Physical Renomination Incentive Charges (I)Total Incentivised Nomination Charges.
UK-NI	Gas Deals, Daily Gas Prices, and each charge break down

COUNTRY	1. HOW THE APPORTIONMENT AMONGST NETWORK USERS IS ACHIEVED? 2. WHAT CONSIDERATIONS DID YOU MAKE IN TERMS OF CREDIT RISK MANAGEMENT RULES? 3. HOW IS THE NEUTRALITY CHARGE FOR BALANCING PROPORTIONATE TO THE EXTENT THE NETWORK USER MAKES USE OF THE RELEVANT ENTRY OR EXIT POINTS CONCERNED OR THE TRANSMISSION NETWORK?
Table 5.3: Description of neutrality charge mechanisms	
AT	n/a
BE	1. The neutrality charge is applied to provisional domestic exit allocations. 2. Since the approved neutrality charge is equal to 0 €/MWh, no considerations has been made in terms of credit risk management rules. 3. As described in 9.3, the neutrality charge is applied to provisional domestic exit allocations.
BG	–
CZ	1. Via regulatory framework's mechanisms. 2. Mechanism set from 2007 was compared with data available for 2015. The result was a key for implementation of BAL NC. 3. n/a
DE	1. The MAM are obliged to divide the costs and revenues from the procurement or sale of external balancing gas and the other costs and revenues in connection with the balancing activities undertaken by the MAM between the SLP (allocated with standard load profile) and RLM (metered customers) neutrality charge accounts. The MAM shall forecast the balance of the neutrality charge accounts by the end of the next contribution period without including the neutrality charge for balancing for the next contribution period, taking into account a liquidity buffer. Any deficits and surpluses in the neutrality charge account shall be taken into consideration correctively in the next forecast. If the forecasted costs exceed the forecasted revenues, the MAM shall impose a neutrality charge for balancing in euros per MWh offtake, on the basis of a forecast of the respective offtake quantities relevant for balancing and separately for the SLP neutrality charge account and the RLM neutrality charge account. The neutrality charge for balancing for the SLP neutrality charge account shall be borne by the balancing group managers who supply SLP exit points. The neutrality charge for balancing for the RLM neutrality charge account shall be borne by the balancing group managers who supply RLM exit points. 2. Costs arising from payment defaults pursuant to Article 31 of the Network Code on Gas Balancing are to be divided between the SLP neutrality charge account and the RLM neutrality charge account in so far as they are allocable to the corresponding neutrality charge account. 3. The neutrality charge for balancing is imposed per MWh offtake of RLM and SLP volumes.
DK	n/a
EL	1. TSOs neutrality is ensured through the balancing account kept by the TSO and reviewed by RAE. Any cost or revenue related to balancing activities exercised by the TSO is recorded in the balancing account, which is reset to zero, upon the end of each year. In case of deficit the TSO imposes additional charges to the NUs active during the said year, while in case of surplus relevant credits are calculated. The above NU charges/credits are calculated proportionally to the natural gas quantity transported during the Year on behalf of the each NU. 2. None. Relevant provisions are included in the new guarantee scheme proposed by the TSO to the Greek Regulatory Authority for Energy, within the framework of the revision of the network code. In case the appropriate guarantee limit is not met the NU is not allowed to book capacity for the next Day. For the calculation of the guarantee limits the daily imbalance charges are taken into consideration. 3. Refer to answer 9.3 above. As transported natural gas quantity of a network user is considered the sum of the quantity injected to and quantity withdrawn from the NGTS by a NU
ES	1. Monthly, Enagas GTS calculates the net economical result of using title products as balancing actions and the users' daily imbalances during the month. If the result is positive (Enagas GTS has earned money), this money is considered to reduce TPA tariffs and other system charges. If the result is negative (Enagas GTS has lost money), users with imbalances during the month are charged Enagas GTS net economical result, proportionally to their monthly imbalance quantities. Regarding locational products, Enagas GTS will daily calculate the net economical results of using them; if positive, it will be considered to reduce TPA tariffs and other system charges; if negative, it will be charged to users which have introduced gas to the network that day, proportionally to the quantity introduced 2. Guaranties will be established by users in order to cover risks. 3. As explained before, Enagas GTS will calculate every day the net economical results of using locational products; if the result is positive, it will be considered to reduce TPA tariffs and other system charges; if the result is negative, it will be charged to users which have introduced gas to the network that day, proportionally to the quantity introduced.
FR	1. Based on monthly allocated quantities at delivery points 2. Under progress. In a new version of the transmission contract, a review of the financial guaranties will allow to cover for the imbalance quantities (the current guaranties only cover capacities fees). 3. Proportionate to delivered quantities at domestic exit.
HR	–
HU	1. It is divided according to daily imbalance. 2. It is line with art. 30.2, and is in the contractual terms and conditions 3. It is divided according to daily imbalance.
IE	1. In order to maintain the Transporter's cash neutrality, a Neutrality Charge may be applied on a monthly basis amounting to the difference between the amounts received or receivable and the amounts paid or payable by the Transporter due to performance of its balancing activities, and which is payable to or recoverable from the relevant Shippers. i) Each Shipper shall be liable for payment of its portion of the Neutrality Charge proportional to its throughput in that month where the Neutrality Charge is positive (i. e. where payments from the Disbursements Account are greater than receipts); ii) Each Shipper shall receive its portion of the Neutrality Charge proportional to its throughput in that month where the Neutrality Charge is negative (i. e. where receipts into the Disbursements Account are greater than payments) 2. Shippers put credit arrangements in place with TSO based on Capacity bookings 3. proportional to overall system throughput
IT	1. The following NRA deliberation describes the criteria for network users apportionment: Deliberazione ARG/ gas 155/11, point 10 http://www.autorita.energia.it/allegati/docs/11/155-11arg_ti.pdf 2. The following NRA deliberation Deliberazione ARG/gas 45/11 sets the principles (art. 3, comma 3.1, lettera d)) and defines (art. 11) credit risk management rules : http://www.autorita.energia.it/allegati/docs/11/045-11arg_ti.pdf The relevant TSO network Code provisions are reported at the following link: http://www.snamretegas.it/export/sites/snamretegas/repository/file/ENG/Network_Code/Chapter_05/05_capacity_booking_RevLIII_ENG.pdf 3. The following NRA deliberation describes the criteria for network users apportionment: Deliberazione ARG/ gas 155/11, point 10 http://www.autorita.energia.it/allegati/docs/11/155-11arg_ti.pdf

COUNTRY	1. HOW THE APPORTIONMENT AMONGST NETWORK USERS IS ACHIEVED?	2. WHAT CONSIDERATIONS DID YOU MAKE IN TERMS OF CREDIT RISK MANAGEMENT RULES?	3. HOW IS THE NEUTRALITY CHARGE FOR BALANCING PROPORTIONATE TO THE EXTENT THE NETWORK USER MAKES USE OF THE RELEVANT ENTRY OR EXIT POINTS CONCERNED OR THE TRANSMISSION NETWORK?

Table 5.3: Description of neutrality charge mechanisms

LU	1. The neutrality charge is applied to provisional domestic exit allocations. 2. Since the approved neutrality charge is equal to 0 €/MWh, no considerations has been made in terms of credit risk management rules. 3. As described for question 9.3, the neutrality charge is applied to provisional domestic exit allocations.
NL	n/a
PL	1. The neutrality charge shall be calculated for each Shipper as the product of the following elements: – neutrality rate applying in a given settlement period; – sum of volume of gaseous fuel sent by the Shipper in the settlement period at the entry points and exit points of the transmission system, excluding virtual points, i. e. the points without a specific physical location which do not represent an interconnection with the operators of interconnected systems, at which the trade in gaseous fuels for the purposes of the following transactions takes place: 1) In the period from 1 October 2015 till 30 September 2016 the rate of the neutrality charge shall be equal to zero. The costs and revenues related to the TSOs balancing activity incurred in that period shall be accounted for in the gas year 2016/17 through the neutrality charge mechanism based on a single rate to be set for a yearly cycle. 2) In the gas year 2016/17, the TSOs result on balancing activity will be accounted for as: The neutrality charge to be calculated in a yearly cycle based on the revenues and costs incurred in the gas year 2015/16; The neutrality charge to be calculated in monthly cycles based on the revenues and costs incurred in individual months of the gas year 2016/17. 3) In the gas year 2017/18 and the subsequent gas years. The TSOs financial result on balancing activity shall be accounted for in the rates of the neutrality charge to be calculated in month of the gas year. 2. In order to mitigate the risk of Shippers' default in payment regarding any payment due for the imbalance charges and balancing neutrality charges, the Operator shall impose contractual requirements concerning financial security safeguards on all Shippers. The Operator may demand the following types of financial security safeguards from Shippers: – cash deposit in a bank account indicated by the TSO, – an irrevocable and unconditional bank or insurance guarantee payable on the TSOs first demand, – an irrevocable and unconditional surety, payable on the TSOs first demand and issued by a Shipper's affiliate, in the form of a declaration on submission to enforcement executed as a notarial deed, including the obligation to pay an amount up to the value specified in such declaration under the procedure set forth in Article 777 of the Code of Civil Procedure. The value of the security safeguard to be provided by Shippers may only vary with regard to individual categories of entities obliged to present such security, i. e., for a Shipper acting on own behalf and for a Shipper acting on behalf of a group of Shippers. 3. The neutrality charge shall be calculated for each Shipper as the product of the following elements: – neutrality rate (or neutrality rates) applying in a given settlement period, and – sum of volume of gaseous fuel sent by the Shipper in the settlement period at the entry points and exit points of the transmission system, excluding virtual points, i. e. the points without a specific physical location which do not represent an interconnection with the operators of interconnected systems.
PT	–
RO	–
SE	–
SI	1. The apportionment among balancing group leaders is achieved through quarterly settlement. 2. The suitable financial guarantee is required from balancing group leaders. 3. n/a
SK	1. Based on the allocated transmission capacity at entry and exit points. 2. In case network user intends to submit a (re)nomination that results in an imbalance, before confirming such nomination Eustream checks if the shipper has enough free financial security (bank guarantee, cash deposit). If yes, the imbalanced nomination is confirmed and the respective amount of financial security is blocked. If no, the imbalanced nomination is not confirmed. 3. Based on the allocated transmission capacity at entry and exit points.
UK-GB	1. The neutrality mechanism is defined in UNC TPD F 1.1.2(d) and (e) and its operation is further detailed within UNC TPD F4. 4.2.2 For each relevant User the Balancing Neutrality Charge shall be calculated as the sum of: a) the Unit Daily Neutrality Amount multiplied by the sum of the relevant User's relevant Inputs and relevant Outputs for the relevant Day; b) an Adjustment Amount for the relevant Day as defined in UNC TPD F 4.5 The "Unit Daily Neutrality Amount" for a relevant Day is the Basic Net Neutrality Amount for the relevant Day, divided by the sum of all relevant Inputs and relevant Outputs for all relevant Users. 4.2.3 The Balancing Neutrality Charge is payable by National Grid NTS to the User where it is negative and by the User to National Grid NTS where it is positive. http://www.gasgovernance.co.uk/sites/default/files/TPD%20Section%20F%20-%20System%20Clearing,%20Balancing%20Charges%20and%20Neutrality_17.pdf 2. UNC Section X deals with Energy Balancing Credit Management. However, in accordance with UNC Section V National Grid has discharged its responsibility for managing the activities of Section X of the UNC by appointing a Transporter Agency. Currently Xoserve Limited is appointed as the Transporter Agency. For the purpose of minimising all Users' exposure to the credit risk associated with other User's Energy Balancing activity, the Energy Balancing Credit Rules have been developed. The Rules are applied, by Xoserve, in order to manage the gas community's financial exposure. The Energy Balancing Credit Committee (EBCC) is a body of industry representatives with certain rights and responsibilities relating to the management of the Community's energy balancing credit risk. The EBCC is a UNC Committee, chaired by the Joint Office and is attended by up to nine elected User representatives, National Grid NTS's Energy Balancing Credit Risk Manager and the NRA. The Energy Balancing Credit Rules can be found here: http://www.gasgovernance.co.uk/sites/default/files/EBCR%20Rules%20V3%2022.pdf In addition, UNC Modification 569S which seeks to modify the Energy Balancing Credit Rules is currently being discussed by the GB industry. More information on Mod 569S can be found here: http://www.gasgovernance.co.uk/0569 3. UNC Section F 4.2 provides details of how a network user's neutrality is applied proportionately. UNC F 4.2.2 For each relevant User the Balancing Neutrality Charge shall be calculated as the sum of: a) the Unit Daily Neutrality Amount multiplied by the sum of the relevant User's relevant Inputs and relevant Outputs for the relevant Day; b) an Adjustment Amount for the relevant Day as defined in UNC TPD F 4.5 The "Unit Daily Neutrality Amount" for a relevant Day is the Basic Net Neutrality Amount for the r elevant Day, divided by the sum of all relevant Inputs and relevant Outputs for all relevant Users.
UK-NI	1. PTL shall operate the Disbursement account to collect/make payments to/from Shippers for Imbalance Charges, collect payments from Shippers for Scheduling Charges, collect payments from Shippers for Unauthorised Flow Charges, make payments for Balancing Gas, and recover the costs from Shippers, pay/receive any other costs /expenses/tax/ interest associated with the administration of the account. Excess Revenues/Costs in the Disbursement Account will continue to be redistributed to/shared amongst Shippers on a monthly basis, such that the NI TSOs shall be financially neutral to the Disbursement Account. The basis for sharing disbursement payments/charges will be the Shipper's share of the overall system throughput. "Aggregate Throughput" shall be determined, in respect of a Month, as: Aggregate Throughput Shipper = (Aggregate NI Entry Allocations Shipper + Aggregate NI Exit Allocations Shipper); And the "Total System Aggregate Throughput" in respect of a Month shall be the sum of all Shippers' Aggregate NI Entry Allocations and all Shipper's Aggregate NI Exit Allocations for that Month For each Shipper, in respect of a Month, a "Disbursement Ratio" shall be calculated as follows: Disbursement Ratio Shipper = Aggregate Throughput Shipper /Total System Aggregate Throughput For each Shipper, in respect of each Month, a Disbursement charge/payment shall be determined as the sum of each relevant charge X Disbursement Shipper Ratio 2. Credit Rules are covered in the PTL Code: http://premier-transmission.com/media/PTL%20Transportation%20Code%20-%20Version%207.0%20(1st%20October%202015).pdf 3. Yes, as described in 9.3

ANNEX VI: WITHIN-DAY OBLIGATIONS (CHAPTER VI OF BAL NC)

COUNTRY	PLEASE PROVIDE DATA FOR Q4 2015 ON THE SUM OF VOLUMES OF WDO APPLIED TO ALL USERS (ABSOLUTE VALUE IN GWH) AND ON THE SUM OF ALL VOLUMES OF THE DAY IMBALANCE VOLUMES APPLIED TO ALL USERS (ABSOLUTE VALUE IN GWH).
Table 6.1: WDOs – data provided for Q4 2015	
AT	During the period 1 October to 31 December 2015 for a total volume of 37.79 GWh, balancing incentive markups were charged. During the same period, the MAM executed trades for a total volume of 95.39 GWh at the virtual trading point in the name and on behalf of the BGRs. The figures are also published in the 2015 report on balancing incentive markups under https://mgm.gasconnect.at/gca_mgm/mgm/downloads.do?lang=en and on the MAM online platform as visualization under https://mgm.gasconnect.at/gca_mgm/mgm/data.do respectively.
BE	https://gasdata.balancing.fluxys.com/SDPBSYS/Pages/Reports/BalancingInformation.aspx During Q4 2015, seven within-day events occurred (4 on integrated BeLux & 3 on Belgian L-gas balancing area), distributed on five different days.
BG	n/a
DE	For the Market Area GASPOOL: – The sum of volumes of WDO applied to all users in Q4 2015 is 57 GWh, – The sum of daily imbalance volumes applied all users in Q4 is 2100 GWh. For the Market Area NetConnect Germany: – The sum of volumes of WDO applied to all users in Q4 2015 is 176 GWh, – The sum of daily imbalance volumes applied all users in Q4 is 1872 GWh.
EE	WDO not applicable in Q4 of 2015.
LU	One common balancing operator (Balansys) is foreseen to manage the balancing for the BeLux area (Belgium & Luxembourg). However, from 1 October 2015 until the delegation of balancing tasks from Fluxys Belgium to Balansys can be made possible (regulatory framework to be finalised soon), Balansys is not able to formally manage the balancing for the BeLux area. From 1 October 2015 until the final setup is put in place, Fluxys Belgium continues to balance the Belgian network whereas Balansys, designated as balancing coordinator for Luxembourg by the Luxembourgish Ministry on 27 July 2015, manages balancing for the Luxembourgish network only (with the help of Fluxys Belgium). https://gasdata.balancing.fluxys.com/SDPBSYS/Pages/Reports/BalancingInformation.aspx or when problems with opening the link: https://gasdata.balancing.fluxys.com/Transmission + click on Balancing and Allocations + Market Balancing Position During Q4 2015, 4 within-day events occurred, distributed on 3 different days in the H-zone of Belux (Luxembourg only uses H-gas).
NL	https://www.gasunietransportservices.nl/en/shippers/balancing-regime/balancing-actions

COUNTRY	1. WITHIN-DAY IMBALANCE FEE METHODOLOGY APPLIED IN Q4 2015. 2. WITHIN-DAY IMBALANCE FEE THRESHOLDS APPLIED IN Q4 2015. 3. WHAT KIND OF INFORMATION IS PROVIDED TOWARDS THE GRID USERS TO FOLLOW THEIR BALANCING POSITION AND WHICH MEANS DO THEY HAVE TO MANAGE THEIR EXPOSURE?
Table 6.2: Description of the fee methodology, fee thresholds and information provided	
AT	1. During the period 1 October to 31 December 2015 for a total volume of 37.79 GWh, balancing incentive mark-ups were charged. During the same period, the MAM executed trades for a total volume of 95.39 GWh at the virtual trading point in the name and on behalf of the BGRs. The figures are also published in the 2015 report on balancing incentive mark-ups under https://mgm.gasconnect.at/gca_mgm/mgm/downloads.do?lang=en and on the MAM online platform as visualization under https://mgm.gasconnect.at/gca_mgm/mgm/data.do respectively. 2. The methodology changed during Q4 2015. The method until 31 October 2015 was the following: Every hourly imbalance of a BG was charged by the MAM with a balancing incentive mark-up, independently of the direction of the imbalance. The calculation was based on the cumulative hourly deviations of a BG on a gas day and either 0.1 or 0.4 cent/kWh was charged. The method since 1 November 2015 is the following: The method applies only if the market area is undersupplied in total and if the hourly BG imbalances show a short position. The calculation is based on hourly imbalances and not on cumulative hourly imbalances on a given gas day. Either 0.1 or 1.0 Cent/kWh is charged for hourly short positions. If a BGR has deviations in its BG during a month being in sum not more than 50 euro (per month), the amount will not be charged. More detailed information can be found in the annually reports on balancing incentive mark-ups, in the general terms and conditions of the MAM and in the background an analysis document concerning the amendments of the methodology. The documents are published under https://mgm.gasconnect.at/gca_mgm/mgm/downloads.do?lang=en. 3. At least hourly information on the status of the balancing portfolio, starting with the initial nominations at 2pm for the next gas day. Imbalances are communicated immediately (IMBNOT response) and the market participants have the possibility to balance themselves within the respective lead time.
BE	1. The same methodology as 7.3 is used for the determination of the within-day imbalance fee 2. Already covered in question 8.7 since the same methodology as 7.3 is used for the determination of the within-day imbalance fee 3. Grid user receives a balancing message (grid user's account position form) per zone, consisting for each hour of the gas day, of the provisional and the forecasted grid user balancing position, any within-day or end-of-day excess or shortfall settlements of the grid user, the market balancing position, any within-day or end-of-day excess or shortfall settlements of the market, the upper and lower market threshold limits (within-day obligations). The balancing operator communicates to each grid user its grid user's account position form on gas day d-1 for gas day d within the first half hour after 15h. Every hour after 15h30 the operator sends an updated version of this grid user's account position form; – Hourly allocations are communicated to the grid user within 30 minutes after the hour to enable the grid user to identify the individual contribution of such a point to its balancing position. An hourly allocation is sent for each interconnection point and end user domestic exit point subscribed by the grid user and distribution domestic exit point allocated to the grid user. – In order to manage in a timely manner their within-day positions, the grid user may revise its nominations on a day-ahead or intraday basis by sending renominations. The standard minimum renomination lead time is "full hour + 2". For title transfers at the ZTP notional trading services, the notification is accepted until 30 minutes before the considered hour.
BG	n/a

COUNTRY	1. WITHIN-DAY IMBALANCE FEE METHODOLOGY APPLIED IN Q4 2015. 2. WITHIN-DAY IMBALANCE FEE THRESHOLDS APPLIED IN Q4 2015. 3. WHAT KIND OF INFORMATION IS PROVIDED TOWARDS THE GRID USERS TO FOLLOW THEIR BALANCING POSITION AND WHICH MEANS DO THEY HAVE TO MANAGE THEIR EXPOSURE?
Table 6.2: Description of the fee methodology, fee thresholds and information provided	
DE	1. Under the hourly incentive mechanism the MAM shall for each hour of the gas day calculate the balance between all relevant hourly inputs and offtakes allocated to a balancing group. In respect of any positive or negative imbalance remaining after netting and, where applicable, application of any tolerances granted (hourly imbalance) the Balancing Group Manager shall pay a structuring charge in EUR per MWh to the MAM. The charge amounts to 15% of the average value of both imbalance charges (positive and negative balancing energy) that are applied for compensating surplus and short supply of balancing groups for the current gas day. Please note, that the methodology of WDO, including the within-day imbalance fee methodology will be changed by the decision GaBi Gas 2.0 by 1 October 2016. 2. In respect of large consumers as defined as "RLM exit points with a structured allocation profile" (allocation group "RLMoT"), a tolerance of +/-2 % of the hourly metered quantity offtaken at the relevant point shall be applied in respect of any positive or negative imbalance remaining after netting (hourly imbalance). In respect of large consumers as defined as "RLM exit points with a flat allocation profile" (allocation group "RLMmT"), a structuring charge shall be payable in respect of any quantity that exceeds a tolerance limit of +/-15 % based on the relevant hourly allocated quantity. Please note, that the methodology of WDO will be changed by the decision GaBi Gas 2.0 by 1 October 2016. 3. According to BAL NC, the MAM/TSO shall provide network users with a minimum of two updates of their measured flows on the gas day D. This obligation has already been implemented with the determination on business processes for change of gas supplier (GeLi Gas determination, annex to decision BK7-06-067 of 20 August 2007, "Metered value transmission" process, 1.6.2., no. 4), because on this basis hourly metered values are to be sent to the network users every hour – not just updates on two occasions. On the basis of these information, the grid users are able to undertake within-day trades at the virtual trading point or physical nominations and thus to balance their portfolio.
EE	WDO not applicable in Q4 of 2015.
LU	1. The same methodology as described for question 7.3 is used for the determination of the within-day imbalance fee. 2. See question 8.7 (methodology) and question 8.5 (WDO market thresholds) 3. Grid user receives a balancing message (grid user's account position form) per zone, consisting for each hour of the gas day, of the provisional and the forecasted grid user balancing position, any within-day or end-of-day excess or shortfall settlements of the grid user, the market balancing position, any within-day or end-of-day excess or shortfall settlements of the market, the upper and lower market threshold limits (within-day obligations). The balancing operator communicates to each grid user its grid user's account position form on gas day d-1 for gas day d within the first half hour after 15h. Every hour after 15h30 the operator sends an updated version of this grid user's account position form; – Hourly allocations are communicated to the grid user within 30 minutes after the hour to enable the grid user to identify the individual contribution of such a point to its balancing position. An hourly allocation is sent for each interconnection point and end user domestic exit point subscribed by the grid user and distribution domestic exit point allocated to the grid user. – In order to manage in a timely manner their within day positions, the grid user may revise its nominations on a day-ahead or intraday basis by sending re-nominations. The standard minimum re-nomination lead time is "full hour + 2". For title transfers at the ZTP notional trading services, the notification is accepted until 30 minutes before the considered hour.
NL	1. GTS buys/sells on the exchange the volume of gas that is needed to bring back the system to the green zone. This is the 'safe' zone for GTS with regard to the integrity of the transport system and therefore this is the minimum amount GTS needs to buy/sell to be able to guarantee the integrity of the system. The buy/sell transaction is distributed among the causers of the imbalance pro rata the imbalance of the individual causers. The price used is the volume weighted average price that GTS has paid/received on the exchange. 2. No thresholds applied. 3. The network users have an update of their position in the system together with the total system position. There are multiple ways for network users to manage the exposure, among which are using own means (storage, production, re-nominating demand) and trading (etc., exchange).

COUNTRY	COMMENTS
Table 6.3: Total costs covering the "unlimited" intra-day flexibility in Q4 2015	
DK	No extra costs, the Danish system has free flex through linepack.
HU	The total cost was 535.97 Mn HUF
UK-GB	A significant amount of information on TSO Balancing Actions is published here under the title Operational Overview: http://www2.nationalgrid.com/uk/industry-information/gas-transmission-system-operations/gas-operational-forum/ In Q4 2015, the costs of residual balancing actions were: buys £7,360,663 sells £3,637,489 net cost £3,723,175

ANNEX VII: INTERIM MEASURES (CHAPTER X OF BAL NC)

COUNTRY	LINKS
Table 7.1: Links to NRA-motivated decision	
BG	http://bulgartransgaz.bg/en/news/publichna_konsultaciya_na_proekt_na_doklad_za_prilagane_na_vremenni_merki_po_reglament_es_312_2014_-192-c15.html
DE	http://www.bundesnetzagentur.de/DE/Service-Funktionen/Beschlusskammern/1BK-Geschaeftszeichen-Datenbank/BK7-GZ/2014/2014_0001bis0999/2014_001bis099/BK7-14-0020_BKV/BK7-14-020_Beschluss_englisch.pdf?__blob=publicationFile&v=3
EL	https://yperdiavgeia.gr/pdfjs/web/viewer.html?file=/decisions/downloadPdf/16266148
IE	http://www.gasnetworks.ie/Global/Gas%20Industry/BGN%20Gas%20Industry%20Website%20Content/Gas%20Industry%20Documents/GNI%20Files/Code%20of%20Operations%20Documents/Code%20Mods/A063/interim%20measures/CER15085%20%20Notice%20of%20Decision%20to%20Gaslink%20regarding%20implementation%20of%20%20EU%20Gas%20Balancing%20Network%20Code.pdf
LT	http://www.regula.lt/SiteAssets/teises-aktai/03-698_RedakcijaNr_1.pdf
PL	http://en.gaz-system.pl/fileadmin/pliki/do_pobrania/de/20140929_Sprawozdanie_dotyczace_srodkow_tymczasowych_EN.pdf http://en.gaz-system.pl/strefa-klienta/konsultacje-z-rynkiem/zakonczone-procedury/2014/nc-bal/ http://en.gaz-system.pl/customer-zone/tariff/balancing/approved-interim-measures-nc-bal/
RO	http://www.transgaz.ro/sites/default/files/report_on_interim_measures_pursuant_to_regulation_no._312-2014._en.pdf
SE	No (In Sweden the NRA decision took place, but publication is pending.)
SK	http://www.urso.gov.sk:8088/CISRES/Agenda.nsf/0/4A2CCA0B7F44654AC1257E28003E2526/$FILE/0001_2015_P-PD%20web.pdf document: http://www.urso.gov.sk/sites/default/files/Sprava-o-uplatneni-predbeznych-opatreni_20-04-2015.pdf
UK-NI	http://www.uregni.gov.uk/uploads/publications/2015-03-27_Letter_to_PTL_and_BGTL_re_Interim_Measures.pdf

COUNTRY	PLANS
Table 7.2: Plans for removing the interim measures	
BG	Bulgartransgaz EAD plans the following steps to eliminate market isolation, to increase liquidity and move away accordingly from the interim measures: - Integration of the Bulgarian gas market to the regional market, thus helping the increase of liquidity, the achievement of diversification of the sources and routes and provision of opportunities to transport additional natural gas quantities to and across Bulgaria. The gas interconnections with Turkey, Greece, Serbia and Romania and the Southern gas corridor projects are key to market integration in the region. - Construction of interconnections between the national gas transmission network and the gas transmission network for transit transmission. Bulgartransgaz EAD proposes the application of the proposed interim measures for a period of five years. Ion line with Article 45, §4 of the Regulation the TSO must discontinue the use of the interim measures no later than five years after the Regulation coming into force, i. e. no later than 15 April 2019. Considering the low level of liquidity of the wholesale market, Bulgartransgaz EAD will most probably apply the required interim measures over all of the five years. For the purposes of assessing the compliance of the measures necessary for the implementation of the Regulation and the application of the interim measures and of determining the next steps necessary for the termination of the interim measures, the TSO will present to EWRC regularly by 1 October each year „Regulation Implementation Evaluation Report“. Bulgartransgaz EAD plans the following steps to eliminate market isolation, to increase liquidity and move away accordingly from the interim measures: - Integration of the Bulgarian gas market to the regional market, thus helping the increase of liquidity, the achievement of diversification of the sources and routes and provision of opportunities to transport additional natural gas quantities to and across Bulgaria. The gas interconnections with Turkey, Greece, Serbia and Romania and the Southern gas corridor projects are key to market integration in the region. - Construction of interconnections between the national gas transmission network and the gas transmission network for transit transmission. Bulgartransgaz EAD proposes the application of the proposed interim measures for a period of five years. Ion line with Article 45, §4 of the Regulation the TSO must discontinue the use of the interim measures no later than five years after the Regulation coming into force, i. e. no later than 15 April 2019. Considering the low level of liquidity of the wholesale market, Bulgartransgaz EAD will most probably apply the required interim measures over all of the five years. For the purposes of assessing the compliance of the measures necessary for the implementation of the Regulation and the application of the interim measures and of determining the next steps necessary for the termination of the interim measures, the TSO will present to EWRC regularly by 1 October each year „Regulation Implementation Evaluation Report“.
IE	On 25 January 2016, Gas Networks Ireland published a 'Balancing Options Assessment' report, which sets out the current status of interim measures and provides an indicative timeline throughout the interim measures period. Link to Balancing Options Assessment Report: http://www.gasnetworks.ie/en-IE/Gas-Industry/Services-for-Suppliers/Code-of-operations/code-mods/Live-Modifications/Interim-Measures/2016-Interim-Measures/
PL	The TSO will annually assess the effects of the functioning of individual interim measures and the conditions for their application. The results of the assessment will be presented to the President of the Energy Regulatory Office in accordance with the procedure set out in Article 46(3) of the Regulation. TSO was asked to assess the possibility and costs to merge the 3 national balancing areas into one.
RO	Art. 3 of ANRE Decision no. 2296/11 November 2015 stipulates followings: “within no more than 45 working days from the date of communication of this decision, the National Gas Transmission Company "Transgaz" S.A. Mediaş is required to submit to ANRE the following: a) the detailed description of the actions and the related schedule, which it intends to undertake in order to ensure the compliance with the criteria provided for by the Regulation, at least within a trading platform, until 16 April, 2019, provided for in the Report for the elimination of the proposed interim measures; b) the detailed schedule of the activities which are considered for the realisation and the operationalisation of the balancing platform provided for in Chapter 4 – "Elimination of the interim measures" from the Report.
SE	Current model will be used for a couple of years and meanwhile Swedegas and Energimarknadsinspektion will look at a way to move away from interim measures. Energinet.dk (The Danish TSO), and the Danish NRA, may help us with this project since that is the only market connected to Swedegas.
SK	For the purpose of assessing the consistency of the measures and the purpose of determining the next steps for the removal of the interim measures, Eustream will by 1 October of every year submit an evaluation report on the implementation. In the report Eustream will present results of monitoring the effectiveness of the measures, evaluate the degree of liquidity of the market and propose necessary measures. It is foreseen to operate balancing platform and to keep the interim imbalance charge until April 2019.

COUNTRY	1. THE REASONS FOR THE USE OF A BALANCING PLATFORM 2. THE EXPECTED TIMELINE FOR THE USE OF A BALANCING PLATFORM. 3. THE PRODUCTS PROCURED IN THE BALANCING PLATFORM ACCORDING TO THE MERIT ORDER RANKING. 4. THE RELATED CONDITIONS FOR EVERY PRODUCT PROCURED
Table 7.3: Planned use of the balancing platform	
DE	1. The MAMs operate balancing platforms solely for the procurement of specific locational commodity products which are not offered at the trading platform. The balancing platforms are therefore only used in case there is a specific locational balancing demand which cannot be covered with STSPs traded at the wholesale market. Based on this strict limitation, the balancing platforms have no negative effect on the liquidity at the short-term wholesale market, since it is hardly used and only serves as a backup solution. Offers of balancing gas suppliers at the balancing platform are furthermore non-binding for the supplier until they are accepted by the MAMs and therefore no flexibility is withheld from the short-term wholesale market. 2. The use of balancing platforms has been approved by BNetzA until 16 April 2019. 3. The MAMs procure within-day and day-ahead products on the physical balancing platforms which are both ranked on merit order rank 3. 4. The within-day and day-ahead products procured on the balancing platform are harmonised with the within-day and day-ahead products available on the trading platform PEGAS with regards to lead-times, lot sizes, etc. The primary difference between the products at the balancing platform and at the trading platform is the delivery point, since the balancing platform is only used for locational products. The detailed products description is available on the NCG website (https://www.net-connect-germany.de/Portals/2/en_Produktbeschreibung%20Commodity.pdf) and the GASPOOL website (http://www.gaspool.de/fileadmin/download/geschaeftsbedingungen/ab_1510/gaspool_annex_to_terms_and_conditions_control_energy_1510.pdf)
EL	1. Due to lack of market liquidity, the establishment of a balancing platform is deemed necessary so as to enhance liquidity through the involvement of NUs to the balancing process, before the establishment of the trading platform. 2. The operation of the balancing platform is expected within the first quarter of 2017 according to TSOs most recent estimations. 3. The products have not been specified yet 4. The products have not been specified yet
PL	1. For all gas balancing areas (high-methane, low-methane and SGT). The reason is lack of locational products. Short-term gas markets operated by TGE (currently a trading platform only in high methane gas balancing area) offer only standard title products which merely allow for the transfer of gas ownership between market participants. 2. The expected timeline for the application of interim measures for which the TSO has the approval from the President of the Energy Regulatory Office is 1 October 2016. The TSO will apply for prolongation this date, if necessary, in annually submitted subsequent reports on interim measures according to Art 46 (3). 3. Since the date of the application of interim measures (in the period: 1 October 2015 – 31 December 2015) no products were procured on the balancing platform. 4. No products were procured in the period 1 October 2015 – 31 December 2015. The following product are available at the balancing platform: title products: – gas delivery (by network user) at the Virtual Exit Point (WD) – gas off-take (by network user) at the Virtual Entry Point (WP) locational products: – gas delivery (by network user) at Physical Entry Point (LD) – gas off-take (by the network user) at Physical Exit Point (LP) – gas delivery reduction at an Physical Entry Point and off-take of the same quantity of gas from TSO at the Virtual Entry Point (LZ).
RO	1. The reasoning for the use of a balancing platform arises from the current development status of the wholesale gas market on the short-term defined by a low liquidity and lack of daily and within-day trading products. 2. The balancing is expected to become operational during 2017–2018; 3. The balancing platform is currently not operational. 4. The balancing platform is currently not operational.
SE	1. A balancing platform is already in use and it has shown to be a well-tried solution. It is a fairly low economical risk for all involved actors and in the absence of sufficient liquidity of the short-term wholesale gas market this is a practical solution. 2. This solution will probably be used for a couple of years. 3. Each week, if needed, Swedegas carries out a so called Weekly Trading when Swedegas giving notice of the volume of gas they wish to buy or sell. Network users will then be able to place bids and each bid are in the volume of 240 000 kWh (which means that the total volume always will be a multiple of 240 000 kWh). More info can be found at: http://www.swedegas.com/Our_services/system_responsibility/balance_responsibility/~/media/Files/Systembalansansvar/Bilaga%205%20-%20Gashandel%20med%20Swedegas-eng_Rev2.ashx 4. The price from the Weekly Trading is called Balance Base Price and it is set by the mean price of double of the demand needed. More info can be found at: http://www.swedegas.com/Our_services/system_responsibility/balance_responsibility/~/media/Files/Systembalansansvar/Bilaga%206%20-%20Priss%C3%A4ttning%20och%20avgifter-eng_Rev2.ashx
SK	1. Absence of sufficient liquidity and absence of trading platform compliant with BAL NC. 2. At the latest till April 2019. 3. Only title products are procured in the balancing platform (day ahead or within-day). 4. Only parties that concluded Framework agreement on balancing platform access are allowed to participate in auctions at balancing platform. In case of balancing action need all contracted counterparties will receive information in advance about timing and further details of auction. They are asked to submit their price and volume offer during time window in advance defined in advance. Delivery point: VTP Product: Title Day ahead product: from 6 am to 6 am (gas day) Within-day products: rest of day.

	1. THE REASONS FOR THE ESTABLISHMENT OF AN ALTERNATIVE TO THE BALANCING PLATFORM.
	2. THE EXPECTED TIMELINE FOR USAGE OF THE PRODUCTS PROCURED AS AN ALTERNATIVE TO THE BALANCING PLATFORM.
	3. THE PRODUCTS PROCURED AS AN ALTERNATIVE TO THE BALANCING PLATFORM.
	4. THE POSITION IN THE BALANCING MERIT ORDER OF THE PRODUCTS PROCURED AS AN ALTERNATIVE TO THE BALANCING PLATFORM.
	5. THE TERMS AND CONDITIONS OF THE PRODUCTS PROCURED AS AN ALTERNATIVE TO THE BALANCING PLATFORM.
COUNTRY	6. THE LINKS TO THE RELEVANT DOCUMENTS PUBLISHED ON THE PRODUCTS PROCURED AS AN ALTERNATIVE TO THE BALANCING PLATFORM.

Table 7.4: More details about the alternative to the balancing platform

BG	1. We envisage the use of an alternative balancing platform, including VTP and use of balancing services as we believe that the balancing platform would not result in increase of the liquidity. 2. We expect the alternative platform to be used until 2019. 3. Procurements for balancing services have not been awarded yet. 4. n/a 5. n/a 6. n/a
EL	1. The provision of balancing services complementary to the products that will be traded in the balancing platform is deemed necessary due to limited market liquidity. Said services will be used as a last resort balancing measure in case the products traded in the balancing platform are not sufficient to balance the system. 2. The relevant products are expected to be procured by the TSO until the full implementation of the BAL code. 3. LNG quantities are procured by TSO, through an international tender and stored in Revythoussa LNG terminal for balancing purposes. 4. Balancing services will be in a lower order compared to the products procured through the balancing platform 5. TSO procures the LNG quantities required for balancing purposes from pre-selected suppliers. For the compilation of the LNG suppliers' list, an international tender takes place, on an annual basis, according to the provisions of the relevant EU directives, the Greek Law and the Network Code. The relevant process is supervised by the Greek Regulatory Authority for Energy. For the procurement of LNG, the TSO issues a "request for supply" to the pre-selected suppliers, who, in turn, specify the relevant unit supply price. The supply is awarded to the supplier offered the lower unit price 6. http://www.desfa.gr/wp-content/uploads/2016/03/%CE%95%CE%BA%CE%B8%CE%B5%CF%83%CE%B7%CE%A0%CF%81%CE%BF%CF%83%CF%89%CF%81%CE%B9%CE%BD%CF%89%CE%BD%CE%9C%CE%B5%CF%84%CF%81%CF%89%CE%BD-eng-vf.pdf
RO	1. The establishment of an alternative to the balancing platform (procurement of balancing services) is motivated by the need for an alternative solution if the case when the TSO cannot access on short-term the centralised markets. 2. The expected timeline for using the usage of the products is April 2019. 3. The TSO does not procured any balancing services until now. 4. The use of balancing services is the last option in the merit order. 5. The terms and conditions for the procurement of the balancing services are available as document under discussion only in Romanian language at: http://www.anre.ro/ro/gaze-naturale/legislatie/documente-in-discutie-gn/reguli-piata-de-gaze/proiectul-contractului-tip-de-cumparare-a-gazelor-naturale-de-echilibrare&page=1. 6. http://www.transgaz.ro/sites/default/files/report_on_interim_measures_pursuant_to_regulation_no._312-2014._en.pdf; http://www.anre.ro/ro/gaze-naturale/legislatie/documente-in-discutie-gn/reguli-piata-de-gaze/proiectul-contractului-tip-de-cumparare-a-gazelor-naturale-de-echilibrare&page=1
UK-NI	1. At present the lack of VRF capacity and the non-existence of trade means that a balancing platform is not feasible. Since NI already has an effective means for procuring balancing gas which satisfies the criteria for being an interim measure, relying on balancing services would be the starting point. Shipper to shipper trading functionality has been provided from October 2015 and will be monitored. 2. Balancing Buy and Balancing Sell Contracts 3. No STSP 4. Balancing Buy and Sell contracts are competitively tendered on an annual basis, with the terms and conditions being published in the tender. The price of the arrangement currently comprises: the OCM (i. e., NBP) Price for the quantity of gas, the OCM transaction fee, the NTS Commodity Charge, a standing contract fee and a fee for making the transaction. 5. To be reviewed annually. 6. http://ted.europa.eu/udl?uri=TED:NOTICE:202452-2014:TEXT:EN:HTML

COUNTRY	1. PLEASE EXPLAIN THE REASONING FOR THE USE OF TOLERANCES. 2. PLEASE EXPLAIN THE DESIGN OF THE TOLERANCE LEVEL. 3. PLEASE EXPLAIN THE EXPECTED TIMELINE FOR THE USE OF TOLERANCES.
Table 7.5: More details about tolerances	
BG	1. The use of tolerance is due to the absence of access of the users to the short-term wholesale market with sufficient liquidity. 2. Tolerance is the maximum permissible range of imbalance within which a special regime for determining the daily imbalance charge is applied. The tolerance is determined to the amount of ± 5 % of the maximum booked exit capacity for the day of the user's portfolio. 3. We expect the tolerance to be used up to 2019 maximum.
EE	1. This motivates the balance responsible parties to maintain balance of their portfolio. 2. Summer period – up to 15 % of the balance portfolio's inputs Winter period – up to 5 % of the balance portfolio's inputs. 3. Not decided yet.
EL	1. The imbalance position of each network user is calculated as deliveries minus offtakes adjusted by a part of the allocated to the network user daily UFG. The tolerance limits that amount to ± 10 % of the maximum entry or exit booked capacity. 2. The design of the tolerance level is described in the network code. 3. Tolerances will be gradually reduced during the next five years, until they are fully eliminated by April 2019 or sooner (if possible).
IE	1. Tolerances set the limits for first tier and second tier imbalance cash-out prices and thus provide an incentive for Shippers to manage their portfolios by applying higher charges to higher imbalance quantities. It is intended to reduce tolerances on a phased basis across the interim measures period. The first reduction in tolerances was given effect in 1 October 2015 2. Tolerances are applied to Entry Points and Exit Points based on the characteristics of the points. Each Shipper then has an 'aggregated' tolerance based on the make-up of its portfolio. 3. It is intended to reduce tolerances on an annual basis across the interim measures period. The first reduction in tolerances was given effect in 1 October 2015 and, subject to consultation and regulatory approval, a further reduction is anticipated for 1 October 2016.
LT	1. Tolerance will be applied due to still low liquidity in wholesale gas market which we expect should increase in coming years due to regional market development, number of market players and changing market environment. 2. The imbalance tolerance limit is equal to the quantity of gas corresponding to 5 % of the gas quantity delivered during the balancing period by the network user in October – April and is equal to the quantity of gas corresponding to 15 % of the gas quantity delivered during the balancing period by the network user in May – September. 3. It is expected to use tolerances until 2019.
PL	1. The tolerance is applied only for high-methane gas balancing area considering the circumstances defined in Article 50 of the Regulation, i. e.: - limited access to gas sources that would meet short-term fluctuations of demand and supply, and - lack of the possibility to trade gas on short-term markets after receiving imbalance information, and, above all, taking into account the position expressed by some Shippers during public consultations. 2. The 5% tolerance is applied in the gas year 2015/2016. The tolerance (called daily imbalance limit (DLN)) for the high-methane gas balancing area shall correspond to 5% of the higher of the 2 quantities: 1) arithmetic mean of the: aggregated quantity of gaseous fuel delivered by the Shipper for transmission at the entry points to the balancing area in a given gas day (excluding the quantity of gaseous fuel delivered by the Shipper at virtual entry point for transactions on TGE, Balancing platform and OTC), and aggregated quantity of gaseous fuel off-taken by the Shipper from the transmission system in a given gas day (excluding the quantity of gaseous fuel off-taken by the Shipper from the transmission system at virtual exit point for transactions on TGE, Balancing platform and OTC), 2) aggregated quantity of gaseous fuel off-taken by the Shipper from the transmission system in a given gas day (excluding the quantity of gaseous fuel off-taken by the Shipper from the transmission system at virtual exit point for transactions on TGE, Balancing platform and OTC). 3. According to the decision of the President of the Energy Regulatory Office the tolerance is approved until 1 October 2016. In the following years the tolerance level will be updated as part of the annual report to be submitted in accordance with Article 46(3). The change of the tolerance level will depend on the future development of the gas market in Poland, including the availability of the measures described above providing the possibility of flexible adjustment of gas quantities both on the entry and exit side in order to balance them during the current gas day.
RO	1. Deeming as met the requirements set out in Article 50, paragraph 1, letter a) - c) of the Regulation, there is also proposed the use of the tolerance. 2. Based on the internal analyses performed by the TSO, the applicable tolerance is 5 %. Daily tolerances are not cumulative. The level of tolerance (T) is calculated by applying the formula: T = (Ai - Ae) / Ai * 100 where: Ai - the allocation in the entry points for which the NU booked capacity; Ae - the allocation in the exit points for which the NU booked capacity. The determined tolerance level applies to the allocation in the entry points in the NTS. If no capacity is booked in the entry points in the NTS the determined tolerance level applies to the allocation in the exit points out of the NTS. For a NU whose daily imbalance is lower than or equal to 5 % tolerance level, the daily imbalance charge (DIC) is calculated in accordance with section. 2.8. for all of the imbalance quantity. For a NU whose daily imbalance is higher than the tolerance level of 5 % the daily imbalance charge (DIC) is calculated in accordance with section. 2.8 and it is the sum of the DIC related to the daily imbalance quantity falling within the tolerance of 5 % and the DIC related to the daily imbalance quantity above a 5 % tolerance. 3. The expected timeline for using the usage of the products is April 2019.
UK-NI	1. With regard to the provision of information on inputs and offtakes, the TSOs are not anticipating being able to deliver the information required for compliance with those elements of the Balancing Regulation until 2016 at the earliest. Therefore, the application of balancing tolerances would provide for a 'soft landing' for Shippers who will be facing significantly more complex arrangements, without the data that the Balancing Regulation prescribes as being necessary, and needing to take more actions to manage their position on a day than they do at present. 2. For each Shipper, a single aggregate "Imbalance Tolerance Percentage" or "ITP" will be calculated as a weighted average across all the NI Exit Points which the Shipper supplies. ITP (as %) = 100 x (a+b+c+d) / TCvm (where: a = Cvm x Cf for Un1 , b = ∑ Cvm x Cf for Un2 , c = ∑ Cvm x Cf for Un3 , d = ∑ Cvm x Cf for Un4, ∑ Cvm = max quantity (in kWh/d) required to supply all the Shippers' demand in the relevant load category on a Gas Flow Day at all NI Exit Points, as set out in the Shippers' Downstream Load Statement, TCvm = aggregate of each ∑ Cvm, Un identifies the load category according to the Load Category Weighting Table, Cf = weighting factor depending on the load category as listed in the Exit Point Tolerance Table.) In respect of a Gas Flow Day, the NI TSOs shall determine a Shippers' "Imbalance Tolerance Quantity" or "ITQ" by applying the weighted average percentage tolerance to the sum of a Shipper's Exit Allocations (though not including Trade Sell Allocations as these are allocated whole) where: ITQ = ITP x (∑ Final Exit Allocations D + ∑ Final VRF IP Exit Allocations D) 3. Ongoing assessment

ANNEX VIII: GENERAL PART

Table 8.1: Transitional provisions to postpone the full implementation as of 1 October 2016		
CZ	By 1 July 2016	Request was submitted on 30 June 2015. NRA approved implementation by 1 July 2016. Link to the NRA's decision.
ES	By 1 October 2016	Request was submitted beginning of September 2014. NRA's decision issued on 2 October 2014 and sent to ACER and the European Commission on 7 October 2014. The NRA's decision has not been published, so no link can be provided.
HR	By 1 October 2016	Request was submitted on 22 May 2015 and amended 6 July 2015. NRA's decision issued in September 2015. Link.
IT	By 1 October 2016	Request was submitted on 3 August 2015. Link to NRA's consultation. NRA's decision has been published on 9 October 2015. Link
PT	By 1 October 2016	Request was submitted on 19 February 2015. ERSE issued their final decision on April 2015. The motivated decision from ERSE was also sent to the EC and ACER. Link to the NRA's decision.

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