



## 40<sup>th</sup> IG Meeting. South Gas Regional Initiative

29<sup>th</sup> November 2016, from 11:00 h to 14:00 h

Teleconference

Minutes of Meeting

### List of participants

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*All documents presented in this meeting are available on the ACER web page:  
<http://www.acer.europa.eu/Events/40th-IG-Meeting/default.aspx>*

## **I. Opening**

The chair welcomed all participants to the 40<sup>th</sup> Implementation Group (IG) meeting.

The minutes of the 39<sup>th</sup> IG SGRI meeting were approved.

The agenda of the meeting was approved.

## **II. Interoperability NC.**

### **II.1. IAs Public Consultation results**

The chair gave a quick review on the status the interconnection agreements (IAs). TSOs involved sent to NRAs the respective full versions of IAs (VIP Pirineos on 15<sup>th</sup> July and VIP Ibérico on 2<sup>nd</sup> August). TSOs drafted a non-confidential version of the IAs. TSOs submitted the non-confidential versions to public consultation (PC). The confidential version contains the following sections: rules for the matching process, rules for the allocation of gas quantities and communication procedures in case of exceptional situation.

Public consultations were launched in the respective TSOs websites (VIP Pirineos on 15<sup>th</sup> September and it will be opened until 15<sup>th</sup> November and VIP Ibérico on 26<sup>th</sup> September and it will be open until 26<sup>th</sup> November).

TSOs informed about the comments received, three agents sent comments of IA VIP Pirineos and one agent of IA Iberico. TSOs presented a summary of the comments received and briefly explained which of them have been accepted/rejected. NRAs asked TSOs for further explanation in a separated document (Evaluation of Responses) giving the reasons why comments have been accepted/rejected and to make public in their website the comments received (without mentioning the name of the author) together with, at least, the final confidential version. NRAs asked TSOs if it is possible to take on board some of the comments that have been initially rejected.

### **II.2. Next steps: final full version of the IAs**

Regarding the version of IAs to publish, in view of the comments received, attendants were asked to show their position regarding the possibility of publishing the full version of the IAs. While Enagas, TIGF and CRE were reluctant to publish the full version, CNMC, ERSE and Reganosa were in favour to publish the full version as they cannot see the reasons why IAs should remain confidential. NRAs will discuss trilaterally about the version to publish (confidential, full or intermediate version) and will inform to TSOs.

IAs, full and non-confidential, final version will be submitted to NRAs in the next few days before the publication in the TSOs websites.

### **II.3. IO NC implementation report**



On its side, ACER informed about the IO NC implementation report. The work will start on January and it will finalize on June. ACER will assess to what extent they need to have access to the content of the IAs to analyse the compliance with the IO NC. The interoperability TF has already asked to NRAs to check the data sent by ENTSOG by the beginning of January.

**TSOs will elaborate a reasoned decision report explaining the reasons why comments have been taken on board or not and why some parts of the IAs are considered as confidential.**

**In the next few days, final version of the IAs (full and confidential) will be submitted to NRAs.**

**TSOs will publish the comments received (without mentioning the name of author) and, at least, the final non-confidential version of the IAs.**

**NRAs will discuss trilaterally on the content of the IAs that should be made public and will inform to the TSOs.**

### **III. Balancing**

CNMC explained that the balancing regulation entered into force by 1<sup>st</sup> of October 2016 without incidents. Throughout this almost two months, Enagas has undertaken 11 balancing actions. TSOs were invited to explain their first insights on the functioning of the balancing regime.

Enagas explained that implementation of the balancing regime has been satisfactory completed: the platform is working well, is giving all information that shippers require to operate in the market the balancing action and informed that MIBGAS has launched a call for selection of market makers for the first semester of 2017.

REN explained that balancing regulation also entered into force by 1<sup>st</sup> of October 2016. REN is maintaining the transmission network within operational limits by using operational gas. Since the entry into functioning in October, REN concludes that stakeholders have quickly adapted their behavior to the new rules and it has been an acceptable usage of the operational gas.

TIGF informed that there is no further news in France regarding balancing.

**On this issue, participants agreed to keep informed IG on the progress of the implementation of the balancing NC.**

### **IV. Infrastructures: new GRIP, TYNDP and PCIs**

Enagas informed on the progress of the TSOs on SGRIP, TYNDP (project promoters are working now in the grouping of the projects to undertake simulations for the PS-CBA) and PCIs (PCIs identification process will be develop from the end of April 2017 to Oct/Nov 2017).

**TSOs will keep informed IG on the progress of the plans for developing infrastructures.**

### **V. Regional integration of gas markets**



#### **IV.1. MIBGAS: ongoing developments**

Regarding the evolution of prices, it can be observed an increase in volatility in MIBGAS' prices since the entry into force of the balancing NC on 1<sup>st</sup> October 2016 in Spain. Spread prices between TRS and MIBGAS has notably increased. The evolution of the prices together with the existence of spare capacity at VIP Pirineos led to question if the market is working properly.

NRAs discussed about the increase of price spread. It were pointed out as possible reasons: nuclear outage in France that is increasing electricity exports from Spain to France (combined cycles in Spain are demanding more gas to produce electricity), lack of liquidity of markets, cross border tariffs or the combination of flexibility tools to face peak demands. It was agreed to further analyze and follow this issue.

Regarding MIBGAS, TSOs were encouraged to use a dynamic methodology to calculate the technical capacity in order to optimize the use of the existing interconnection capacity. With regard the Iberian market integration, it was informed that NRAs agreed on putting aside capacity from monthly, daily and intraday products (3 GWh/day in each horizon) to be allocated implicitly according to the paper submitted to the meeting. REN wants to include his comments in the paper. NRAs will discuss it and reach an agreement. These agreements will be included in the CAM modification together with the CAM amendments recently approved.

Due to legal issues, the roadmap to integrate Spanish and Portuguese VTP has been delayed. ERSE and CNMC will discuss bilaterally to update the roadmap to take into account the delays and will inform to TSOs. TSOs expressed concerns about the uncertainties in the timeline to launch the implicit allocation mechanism due to the need to adapt IT systems. Moreover, TSOs pointed out the need to know when they have to put aside capacity (yearly products are auctioned at the beginning of March and it is necessary to know in January at the latest if some capacity must be put aside for implicit allocation next year).

**It is agreed to follow and to analyze the reasons behind TRS-MIBGAS spread of prices and the proper functioning of the market.  
CNMC and ERSE will update the roadmap of Spanish and Portuguese market integration to take into account the delays occurred and will inform the TSOs.**

#### **VI. New SGRI Work Plan**

The Work Plan of the SGRI for 2017-2018 amended with the comments received during the last IG meeting was approved.

**Next IG meeting: 24<sup>th</sup> January 2017.**