



# **ACER Public Consultation on the Oil & Gas UK proposal to amend the Gas Network Codes CAM and BAL in order to retain the UK Gas Day**

## **Enagás response to ACER's public consultation**

9 February 2015



### 1. Respondent's name & contact details, name & type of organisation or stakeholder

- Enagás, S.A. Paseo de los Olmos 19, 28005. [REDACTED] [REDACTED] [REDACTED]  
[REDACTED]

### 2. Please provide a short description of your interest, motivation & role in this amendment proposal

- Enagás is the main gas infrastructure operator in Spain, certified TSO and technical manager of the system.
- Enagás has been involved in the development of the CAM and BAL Network Codes.

### 3. Do you support, oppose, or have a neutral position towards the proposed amendment being further considered by ACER? Please specify the main reasons why you think ACER should or should not pursue this amendment request

- **Enagás opposes to the Oil & Gas UK proposal** to amend the Gas Network Codes CAM and BAL in order to retain the UK Gas Day.
- Enagás supports the European harmonization process of operational rules, including the gas day. In our opinion there will be difficulties in the introduction and operation of bundled products at interconnection points if the gas day is not aligned at both sides of the border. In addition, if there were a change to the agreed European gas day, this will lead to obstacles for TSOs in meeting the 2015 implementation date.
- At this stage, TSOs have full plans to make the appropriate changes to align the gas day in Europe according to the CAM NC. Moreover, TSOs have done huge efforts in order to find the appropriate solutions to handle this change.
- For example, this is the case of Enagás, since in Spain the gas day is aligned with the electricity day due to the strong link between the gas market and the power generation (CCGTs, with 27 GW of capacity installed). Enagás stated several times in the past that the synchronisation of both markets was necessary for the proper management of the gas balance. In particular, Enagás sent the following comments to the *CEER Vision Paper for a conceptual model for the European gas market* in January 2011:

*"Enagás supports the harmonization process of operational rules, including the gas day as far as practicable. However, it is necessary to identify the suitable level of harmonisation taking into consideration the differences on demand profiles between the transmission systems of Members States.*

*A crucial point that needs to be considered, is the determination of the start and end time of the gas day, compared to the one of the electricity day. In some Member States, and particularly in Spain, there is a strong link between the gas market and power generation (CCGTs). The synchronisation of both markets is totally necessary for the proper management of the gas balance. In some countries the synchronisation with CCGTs (gas day = electricity day) is even more critical than with adjacent TSOs.*

*The importance of this link in other countries will become more apparent in the next few years, as the importance of power generation with gas grows, and given the role of this type of power generation as back up of renewable generation.*

*Enagás believes it would be sensible to discuss the definition of the EU-wide gas day together with the electricity sector, and even consider the possible an even more ambitious Energy Target Model which would bring both the electricity and the gas markets together under one model."*

- The Spanish NRA also supported the proposal to align the gas day with the electricity day in several fora.
- Finally this was not possible and the gas day is going to be changed in Spain by 1<sup>st</sup> November 2015 according to the CAM NC. This has a huge impact on the Enagás IT systems and on our daily operations.