**15th SG Meeting. South Gas Regional Initiative**

**07th January 2012,** from **10.30 h** to **15:00 h**

CNE premises, Madrid

**List of participants**

| Last name | First name | Organisation |
| --- | --- | --- |
| Alaejos | Arturo | MINECTUR |
| Amundarain | Mikel | Naturgas Energía Comercializadora (GrupoEDP) |
| Barrera | Ana | CNE |
| Bergquist | Ivan Erik | Endesa |
| Bermejillo | Javier | NATURGAS Energía Transporte |
| Bravo | Miguel Ángel | CNE |
| Bravo | Teresa | Enagás,S.A. |
| Casañas | Francisco | Endesa |
| Chacartegui | Nerea | Enagás,S.A. |
| de la Flor | Francisco | Enagás,S.A. |
| de Miguel | Juan | ACER |
| de Vicente | Mª Ángeles | Enagás,S.A. |
| del Río | Rafael | IBERDROLA |
| Delvincourt | Thibaud | Minisitry of Energy |
| Diniz | Valter | REN Gasodutos,S.A. |
| Dourlens-Quaranta | Sophie | CRE |
| Eginard | Catherine | European Commission ENERGY |
| Escobar | Rodrigo | CNE |
| Fernández | Elena | Enagás,S.A. |
| Fernández | Susana | MINECTUR |
| Fernández-Argüelles | Maria | RWE |
| Florez | Amparo | Endesa |
| Flos | Antoni | Gas Natural Fenosa |
| Fort | Mª Eugenia | Gas Natural Fenosa |
| Furtado | Pedro | REN Gasodutos,S.A. |
| García | Joaquín | CNE |
| García | Ana Belén | Enagás,S.A. |
| González | Enrique | BP Gas Europe |
| González | Marta | E.ON GENERACION |
| González-Zabala | Carolina | SHELL ESPAÑA ,S.A. |
| Gordon | Steve | ACER |
| Grosa | Rui | GALP ENERGIA |
| Huerre | Thomas | GRTgaz |
| Impuesto | Fernando | Enagás,S.A. |
| Junco | María | Enagás,S.A. |
| Lejona | Idoia | Enagás,S.A. |
| León | Cristina | GDF SUEZ |
| López | Francisco | CEPSA |
| Lucio | Jorge Manuel | GALP ENERGIA |
| Martínez | Mónica | Unión Fenosa Gas |
| Mata | Carlos | EDP Gás |
| Melcon | Antonio | CEPSA GAS COMERCIALIZADORA |
| Miglio | Maximiliano | TIGF |
| Minebois | Jean Loup | TIGF |
| Molinero | Sara | EUROGAS |
| Moncó | Guillermo | Enagás,S.A. |
| Monedero | Teresa | CNE |
| Moreira | Hermínio | ERSE |
| Moreno | Beatriz | CNE |
| Nieto | Isabel | IBERDROLA |
| Oliveira | Paulo | ERSE |
| Oliver | Paula | Sonatrach Gas Comercializadora |
| Parada | Luis Ignacio | Enagás,S.A. |
| Pastor | Pablo | Unión Fenosa Gas |
| Pattumelli | Roberto | Shell International Trading and Shipping Company Ltd |
| Peña | Javier | GALP ENERGIA |
| Pérez Cuevas | Juan A. | SEDIGAS |
| Pinto | Ana | EDP Gas |
| Pires | Antonio | AGN-Associação Portuguesa das Empresas de Gás Natural |
| Poblaciones Corencia | Rosalía | Gas Natural Fenosa |
| Poillion | Christophe | GRTgaz |
| Prieto | Rocío | CNE |
| Ranea | Jose Antonio | Endesa Energía |
| Raoux | Alain | UPRIGAZ |
| Ravaud | Damien | GDF SUEZ |
| Rey de Arce | Carmen | Gas Natural Fenosa |
| Rey Garrote | María | REGANOSA |
| Ricardo | Pedro | GALP ENERGIA |
| Rubio | Sofia | EFET |
| Urruticoechea | Pilar | Sonatrach Gas Comercializadora |
| Vela | Diego | Enagás,S.A. |
| Verdelho | Pedro | ERSE |
| von Munthe Morgenstierne | Beatriz | Gas Natural Fenosa |
| Vozmediano | Carmen | IBERDROLA |
| Yunta | Raúl | CNE |
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***All documents presented in this meeting are available on ACER webpage:*** [*http://www.acer.europa.eu/portal/page/portal/ACER\_HOME/Activities/Regional\_Initiatives/Gas\_Regional\_Initiatives/South/Governance/SG/15th\_South\_SG*](http://extranet.acer.europa.eu/portal/page/portal/ACER_HOME/Activities/Regional_Initiatives/Gas_Regional_Initiatives/South/Governance/SG/15th_South_SG)

1. **Opening**
	1. **Welcome**

The Chair welcomed all participants and expressed his pleasure to host this fifteenth Stakeholders Group (SG) meeting. He also introduced the CNE Commissioner in charge of European affairs, who is also the CNE representative in the Board of ACER.

The Commissioner thanked all actors in the region for their efforts and the progress made so far in the South Gas Regional Initiative, encouraging them to continue working hard in order to reach the targets included in the Region’s Work Plan. He also asked to improve coordination with others Regions in the projects where it is possible.

* 1. **Approval of the agenda and minutes from the last meeting**

The agenda and the minutes from the last meeting were approved with no changes.

1. **ACER and EC role in the Regional Initiatives.**

In its presentation on the ACER’s role in the GRIs, ACER outlined the need to show the progress that has been made in the SGRI at the next Madrid Forum, in March. Progress on FG and NC implementation were pointed out as the priorities for ACER. The need for more cross-regional projects was also mentioned.

In general, the stakeholders expressed their satisfaction with the work developed by the Initiative, which responded to Stakeholders’ demand on the development of more interconnection capacity, transparent allocation mechanisms and improvement on interoperability issues. They also required EC to increase its participation in the SGRI meetings.

In particular, the Chairman asked ACER and the EC to provided the Region with specific proposals on how to progress in line with the European requirements and, with this aim, how to improve the Regions’ Work Plan.

One TSO expressed reservations about regional pilot projects due to the risk of having divergent models implemented, and rather promoted that regional initiatives should be the support for the implementation of network codes.

Regarding the network code on CAM, regulators encouraged stakeholders of the South GRI to express their views on the code through ENTSOG’s “stakeholder support process”.

The EC presented the procedure to decide the projects of common interest, the work to be done in 2012 and the regional dimension of the issue. Participants underlined the importance of taking account of lessons learnt from previous exercises and of the work done by the regions on this matter, as well as the importance of the costs. They specifically requested the room for an active shippers’ participation in the process.

1. **Capacity Allocation Mechanism**
	1. **CAM to apply in the interconnection Spain-Portugal**

Regulators presented the agreements reached on the CAM harmonisation between Spain and Portugal, particularly yearly auctions, that will be applied for the first time this year.

TSOs showed some slides on their common proposal for CAM harmonisation at the interconnection between Spain and Portugal. While most of the process details are already defined, there’re still two main aspects under discussion: the possibility to sell the capacity in a virtual interconnection point and the offer of interruptible capacity. TSOs also proposed a detailed calendar to accomplished with this project deadline (June 2012).

Some clarifications were requested from attendants on the reserved price to be applied and the companies that are able to ask for the bundled capacity on both sides of the border. Some stakeholders asked for the application of the same methodology to allocate future capacity between France and Spain, from the Spanish hub to the French one. TSOs explained that the reserve price will be the regulated price, as agreed with regulators. Auctions between France and Spain will be considered by the TSOs in the future, taking into account experience acquired with the Spanish-Portuguese auction and the implementation of the network code on CAM.

Regulators announced that it had been decided at European level to include the harmonisation of nomination and renomination procedures in the network code on balancing, and invited stakeholders and TSOs to start thinking on how these procedures should evolve in the region.

The Chairman invited the floor to send comments on the capacity allocation mechanism to be developed between Spain and Portugal within 15 days.

* 1. **Capacity Platforms**

GRTGaz, on behalf of Capsquare, presented the latest developments of the capacity platform (called Capsquare) in operation among Belgium, Germany and France (GRTgaz-North) to jointly allocate capacity in the primary and secondary markets.

Stakeholders, and regulators in particular, welcomed the work, which was identified as an opportunity to coordinate North-West and the South Regions. They showed their interest in knowing how the platform manages bundled and unbundled products, nominations and the reasons for not including all the balancing areas in France.

1. **Congestion Management Procedures harmonisation**

TSOs summarized the work done according to the agreements reached at the 15th IG meeting in October 2010. It comprises an exhaustive description of current CMPs in Portugal, Spain and France, and also a detailed proposal for long term UIOLI harmonisation to be applied at the Spanish-French border. Final adjustments of the proposal will be made accordingly to the result of CAM NC and CMP Comitology process. The importance of developing CMPs jointly with CAMs is outlined by the TSOs.

Additionally, the representative of the Spanish Ministry of Industry, Energy and Trading explained the perspective from a Member State related to the draft on CMP, in particularly Spanish mechanism and the pros and cons of the oversubscription mechanism and long term UIOLI.

One Stakeholder asked for more clarification and detail on some of the criteria included in the CMP proposed by the TSOs. Other required completing the TSOs’ proposal with short term measures, in particular, with the promotion and development of secondary capacity markets.

1. **Regional Investment Plan in the South Region (GRIP)**

TSOs explained the GRIP done in the South Region, in particular its elaboration process and the main infrastructures development proposed in it (3rd interconnection point with Portugal and France). They stressed their commitment with the development of new infrastructure for improving interconnection levels within the Region.

On this issue, one Stakeholder required an update of the French project to merge the three current balancing areas in France. Participants were informed that discussions on how to progress on this matter are ongoing, since the aim is to merge GRTgaz North and South areas in 2016. A public consultation to collect agents’ view on the best way to merge the areas will be launched in the following months.

The Chairman asked attendants to provide their opinion on the GRIP up to 7 March.

1. **MIBGAS: Study on cross border tariffs between Portugal and Spain-Public consultation**

Regulators presented some slides on the study they’ve carried out on cross-border transmission tariffs in the Iberian Peninsula. A Public Consultation on this study was launched on the 18th January.

Some stakeholders required further clarifications about hypotheses considered in the assessment, in relation to balancing zones and applicable tariffs, underlining the barrier for cross border trading that pancaking constitute. Regulators encouraged all attendants to participate in the consultation and provide their opinion on how to overcome these difficulties.

ACER explained the situation of the Tariff FG, informing that a Public Consultation will be launched soon, and inviting the participants to attend the Tariff workshop that will be held in Ljubljana on the 20th February.

1. **Transparency : questionnaires to check compliance with Regulation 715/2009**

CNE presented the preliminary conclusions on the monitoring of compliance with the transparency requirements set down by the Regulation 715/2009. This work is done following the same methodology than the North Region. According to the questionnaires sent by TSOs, the preliminary assessment shows, in general, a high level of compliance. There is room for improvement on several issues, like the form of publication, and some misunderstandings that will be easily clarified by the Regulators with the agents. The next steps consist of analysing questionnaires sent by SSOs and LSOs and launching a Public Consultation, in order to collect Stakeholders’ opinion on the information provided by all operators in the South Region.

ACER congratulated all the participants for the work carried out about transparency, and emphasized the project as an example of sharing methodologies with other Regions, and how NRAs can contribute to the Regulation implementation. Finally, ACER informed that they will take over this task once finalized NRAs’ monitoring.

1. **AOB and next meetings**

CNE has detected the need to update Stakeholders’ contact data. With this aim, an excel file on ACER website can be downloaded to be filled out by the participants: [http://www.acer.europa.eu/portal/page/portal/ACER\_HOME/Activities/Regional\_Initiatives/Gas\_Regional\_Initiatives/South/Governance/SG/15th\_South\_SG](http://extranet.acer.europa.eu/portal/page/portal/ACER_HOME/Activities/Regional_Initiatives/Gas_Regional_Initiatives/South/Governance/SG/15th_South_SG)

The Chairman encouraged attendants to update this information as soon as possible.

With regard to the next meetings, the following IG meeting will be held on 28 March. Additionally, a new SG meeting is proposed on 29 (or 30) May.