**16th SG Meeting. South Gas Regional Initiative**

**31st May 2012,** from **10.30 h** to **14:30 h**

CNE premises, Madrid

**List of participants**

| Last name | First name | Organisation |
| --- | --- | --- |
| Adán | María Paz | ENAGAS |
| Aguado | Ignacio | UNION FENOSA GAS |
| Alonso | Alejandro  | CNE |
| Amundarain | Mikel | Naturgas Energía Comercializadora (EDP Group) |
| Argüelles | Pablo | HC Energía (EDP Group) |
| Barrera | Ana  | CNE |
| Casañas | Francisco | ENDESA |
| Costa | Neuza | ERSE |
| de Miguel | Juan | ACER |
| de Vicente | Mª Ángeles | ENAGAS |
| del Río | Rafael | IBERDROLA |
| Espeja | Esther | CNE |
| Fernández | Elena | ENAGAS |
| Fernández | Susana | MINISTRY OF INDUSTRY, ENERGY AND TOURISM -SPAIN |
| Fort | M. Eugenia | Gas Natural Fenosa |
| Furtado | Pedro | REN Gasodutos |
| García | Joaquín  | CNE |
| García | Ana Belén | ENAGAS |
| Gómez | Rafael | OMIE |
| González | Clara Isabel  | CNE |
| González | Marta | E.ON ESPAÑA |
| González-Zabala | Carolina | SHELL |
| Huerre | Thomas | GRTgaz |
| Impuesto | Fernando | ENAGAS |
| Junco | María | ENAGAS |
| Lejona | Idoia | ENAGAS |
| León | Cristina | GDF SUEZ |
| Leveille | Francois | CRE |
| López  | Francisco José | Cepsa Gas Comercializadora |
| Lucio | Jorge Manuel  | GALP ENERGIA |
| Matos | Bruno | EDP |
| Miglio | Maximiliano | TIGF |
| Moncó | Guillermo | ENAGAS |
| Moreira | Herminio | ERSE |
| Moreno | Beatriz  | CNE |
| Murcia | José Enrique | ENAGAS |
| Nieto | Isabel | IBERDROLA |
| Oliver | Paula | Sonatrach  |
| Parada | Luis Ignacio | ENAGAS |
| Pastor | Pablo | UNION FENOSA GAS |
| Peña | Javier | GALP ENERGIA |
| Poblaciones | Rosalía | Gas Natural Fenosa |
| Prieto | Rocío  | CNE |
| Racero | Carmen | MINISTRY OF INDUSTRY, ENERGY AND TOURISM SPAIN |
| Ramos | Roberto | Energya VM  |
| Ranea  | Jose Antonio | Endesa Energía  |
| Raoux | Alain | UPRIGAZ |
| Riquelme | Rafael | Gas Natural Fenosa |
| Romero | Fátima | ENAGAS |
| Rubio | Sofía | Gas Natural Fenosa |
| Tarazona | Arturo | MINISTRY OF INDUSTRY, ENERGY AND TOURISM SPAIN |
| Urruticoechea | Pilar | Sonatrach  |
| Vales Fernández | Carlos | REGANOSA |
| Vela | Diego | ENAGAS |
| Verdelho | Pedro | ERSE |
| Vozmediano | Carmen | IBERDROLA |
| Yunta | Raúl  | CNE |

***All documents presented in this meeting are available on ACER webpage:***

[*http://www.acer.europa.eu/Gas/Regional\_%20Intiatives/South\_GRI/16th\_SG\_meeting\_for\_the\_region\_South/default.aspx*](http://extranet.acer.europa.eu/en/Gas/Regional_%20Intiatives/South_GRI/Meetings/SG%20Meetings/16th_SG_meeting_for_the_region_South/default.aspx)

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

The Chair welcomed all participants and expressed his pleasure to host this sixteenth Stakeholders Group (SG) meeting. He also thanked all the participants in general, but specially TSOs, for their efforts to progress in the projects included in the SGRI work plan, and encouraged shippers to continue contributing to this progress with their proposals, comments and participation.

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

By TSOs request, a new point of the agenda is introduced to discuss the status of infrastructures associated with the Open Season 2013, developed in 2009, to allocate new interconnection capacity between France and Spain available from April 2013.

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

1. **CAM harmonization**

**II.1. CAM NC pilot project to be applied between Portugal and Spain**

Regulators explained the approval process that is being carried out in both countries, Portugal and Spain, to modify national regulation on CAM to allow coordinated auctions to sell the available interconnection capacity. Regulators indicated that the auction process should start in July.

TSOs presented and explained the Information Memorandum, the document which describes the auction procedure in detail: capacity to be commercialized, the requirements to participate in the process and the rules for the auction. This document has been already uploaded in ACER web page. The main change, with regard to previous versions is that, as demanded by Stakeholders, annual products will also be commercialized, together with monthly products.

Participants welcomed the progress achieved by Regulators and TSOs regarding this project. The question and comments from the floor, on the Information Memorandum, were aimed to clarify the need and conditions for interruptible capacity, the implementation of a virtual interconnection point, the anti- hoarding mechanisms and the gas year (Oct-Sept in the project versus Jun-Jul in Portugal).

Awareness on interoperability issues associated to the coordinated capacity management were also raised, like the possibility of one single nomination, one single communication point, etc. The Chair indicated that one of ACER’s priorities for this year is to promote the implementation of capacity platforms in Europe that should facilitate these issues: ACER has requested ENTSOG/TSOs to work on the establishment of a roadmap. These capacity platforms would simplify contracting and managing capacity at interconnections.

With regard to the need for a trading license on both side of the border to participate in the auction, the Portuguese Regulator explained that obtaining the Portuguese trading licence with the Ministry, is simple and would take less than one month, so those shippers interested in the auction, which will require the Portuguese licence are still in time to do it.

The Chair opened a period of Public Consultation of the Information Memorandum, inviting all the stakeholders to send their comments by 18th June

**II.2. Construction status of infrastructures associated to OS 2013**

Spanish TSO Enagás reported that the construction of the Spanish gas pipeline Zarza de Tajo-Yela is suffering a delay, because it has not been authorised yet. This may reduce only the capacity to export gas from Spain to France, sold in the OS 2013, from 165 GWh/day to 100 GWh/day from November 2013, if the pipeline is not ready by then. The chair said that providing the service would not be at risk taking into account that the current physical flow direction is from France to Spain.TIGF said that according to contracts’ clauses TSOs are not allowed to invoice the services till the infrastructures are in operation.

Enagás pointed out that, in any case, this problem would be overcame if the authorisation was approved in the following days. Consequently, all the attendants encouraged the Spanish Ministry to work on this issue. At the same time, regulators committed themselves to study the problem and report back to stakeholders on this issue, in order to avoid creating confusion among shippers with regard to the service.

1. **CMP project pilot at the French–Spanish interconnection**

Regulators presented the last progress in the CMP comitology guidelines, announcing that in the comitology process, they have been approved on 20th April. The main mechanism contained in the Guidelines, which must be in place before October 2013, is overselling and buyback. This mechanism must be proposed by TSOs and approved by NRAs.

Up to date, the initiative had focused its efforts in developing a common UIOLI mechanism, which had already been defined by TSOs. Taking into consideration the deadline established in the regulation, regulators considered important to start working on the overselling and buyback mechanism.

One TSO remarked that CMP mechanisms, and specifically overselling and buyback, are highly interconnected with the CAM Network Code (market mechanism), which has not been approved yet. Regulators consider that the deadline for the implementation of a common allocation mechanism, in the region, is compatible with CMP application. A shipper also highlighted that any CMP should be complemented by secondary capacity markets. ACER was also questioned about their role in monitoring congestion at interconnections. ACER stated that they would work to develop a monitoring methodology.

1. **Study on tariff between Spain and Portugal**

Regulators summarized Stakeholders’ comments received during the public Consultation on the Study on cross border tariffs between Portugal and Spain. 16 responses have been received, which show a great interest from the market’s side in developing an Iberian market. The comments received are published on Regulators’ and ACER’s web sites.

Regulators are currently elaborating the evaluation of comments paper. General conclusions point at the fact that Stakeholders agree on the tasks included in the SGRI work plan for 2011-2014. Stakeholders consider that full transposition of the EC third package should be the basis for the regulatory harmonization, and that a convergent goal for the regulatory harmonization is needed, They also favour the adoption of transitory measures, either on the regulatory side or on the operational side, than can produce results in the short term.

Once the evaluation of comments paper will be approved and published, regulators will analyse possible regulatory changes to facilitate trade between Spain and Portugal,accordingly to the Initiative’s Work Plan 2011-2014.

1. **Transparency (compliance with Regulation 715/2009)**

Regulators shared the results of the public consultation, closed on 20th April, on the TSOs, SSOs and LSOs transparency questionnaires reflecting their compliance with provisions in the Regulation 715/2009. Regulators underlined the little participation, since only five responses were received. Preliminary conclusions show a significant level of compliance, although there’s some room for improvement regarding an easy and direct access to the information. The consultation also showed that subjective criteria, misunderstanding and particular national conditions can lead to different interpretations of compliance level. This concern was raised as well by a TSO during the meeting.

ACER is very interested in the results of this public consultation, which are expected to be presented in the next Madrid Forum, and highlighted the importance of counting on Stakeholders’ participation.

The Chair asked attendants to participate in the consultation, which deadline was extended to 18th June.

1. **Review of the Work Plan 2011-2012**

Participants reviewed the projects contained in the Initiative’s Work Plan, checking current compliance of actions and projects included in the Plan. The Chair indicated the need to start working in the capacity platform, the overselling and buyback mechanism and in balancing after summer. He also informed that Regulators are actively participating in ACER’s working groups to develop the Interoperability Framework Guidelines.

ACER explained that recently they have approved the Quarterly Report on the Gas Regional Initiatives, which would be published in the following say on ACER’s webpage. This report follows closely the work done by the Initiatives, and serves as a reference to monitor the progress in compliance with their Work Plan.

With regard to the Regional Investment Plan (GRIP), the Chair explained that only one Stakeholder response has been received. Infrastructure planning is key for the consecution of the regional market and Stakeholders’ involvement in this issue is crucial. Consequently, the Chair encouraged Stakeholders’ to analyse and comment TSOs’ GRIP and send their point of view before 18 June.

1. **AOB and next meetings**

Along June and July, TSOs will held meetings with shippers to explain CAM between Spain and Portugal.

The following meetings were scheduled for the second semester of 2012:

* 27 September : 17th SG
* 6 November: 20th IG
* 13 December: 18th SG