2 November 2012

Dear Menno

Thank-you for the opportunity to respond to your consultation about the feasibility of implicit auctions in the North West European area.

The view of ENTSOG and Operators in the GRI NW was expressed at the 19 November Workshop and we note that a very substantial majority of Workshop participants supported the position described in the presentation (as attached).

Our position remains that devoting resources to consideration of implicit auctions, and specifically initiating a GRI NW pilot project, would be unhelpful at this stage and distract from other work targeted at delivering more significant benefits.

It is clear that everyone’s focus should be to deliver the new CAM, CMP and Balancing rules. These should resolve many of the issues that implicit auctions seek to address. Once these priority rules have been implemented and their impacts assessed attention could be turned to consideration of whether implicit auctions might deliver further net benefits.

I will be pleased to reiterate this position in Copenhagen at the Stakeholder Group meeting.

Best regards

Nigel Sisman

ENTSOG Business Area Manager, Markets

On behalf of all those companies listed below:

National Grid  Fluxys  GRTgaz
Interconnector (UK)  Thyssengas  Gas Transport Services
Gasunie Deutschland  Gaslink  Svenska Kraftnät
Ontras  Open Grid Europe  Gascade
energienet.dk