

Public consultation on the Capacity Allocation Mechanisms Network Code: achievements and the way forward

Fields marked with * are mandatory.

A Introduction

With gas markets being impacted by a global pandemic (2020) and a European energy crisis (2022), the resilience of the current market rules (also known as “network codes”) has been tested. Although they have ensured a proper market functioning (see ACER’s Market Monitoring Reports and Congestions Reports), lessons have yet to be learnt to further enhance market resilience.

The European gas market must also be ready to align with the latest policy and technological developments, guaranteeing the Green Deal’s decarbonisation targets can be met.

Against this background, the latest European Gas Regulatory Forum has emphasised the importance of having gas market rules which can adequately reflect this evolution, and therefore prompted for the revision of the capacity allocation mechanisms network code (CAM NC).

As part of ACER’s review of the Network Code for Capacity Allocation Mechanisms (‘CAM NC’), ACER is assessing the achievements of CAM NC and scoping the areas of improvement.

ACER invites stakeholders to actively participate in its review by providing feedback on the scoping of the areas of improvement as well as making reasoned proposals on further areas of improvements that could be considered for eventually amending the CAM NC.

The ACER CAM NC scoping document (‘scoping document’) contains ACER’s review of the market rules regulating gas transmission capacity allocation in Europe and proposes a scoping of areas of improvements based on ACER’s work on CAM. It serves as the **main consultation document** to which the questions in this survey refer.

Please send your response to the questions **by 5 January 2024, 12:00 noon (CET)**.

We invite stakeholders to bring forward concrete and succinct reasonings. Overly lengthy responses may not be processed.
The survey was corrected on 17 November for missing questions.

The stakeholder responses will be published on the Agency’s website. If you include commercially sensitive information in your reply, please mark the parts of your answer that are confidential as well as provide a non-confidential version for publication purposes.

Please confirm that you have read the [Data Protection Notice](#)

B General information

1 Name and Surname:

2 Email

3 Company:

4 Country:

- AT - Austria
- BE - Belgium
- BG - Bulgaria
- HR - Croatia
- CY - Cyprus
- CZ - Czechia
- DK - Denmark
- EE - Estonia
- FI - Finland
- FR - France
- DE - Germany
- EL - Greece
- HU - Hungary
- IE - Ireland
- IT - Italy
- LV - Latvia
- LT - Lithuania
- LU - Luxembourg
- MT - Malta
- NL - Netherlands
- PL - Poland
- PT - Portugal
- RO - Romania
- SK - Slovak Republic
- SI - Slovenia
- ES - Spain
- SE - Sweden

5 Please specify if other:

6 Business field:

- TSO
 DSO
 Shipper/trader
 Association
 Other

7 Please specify if other:

C Consultation documents

Download ACER's [Scoping document](#)

Download the [cover note to the scoping document](#)

The following questions are organised per chapter and article of the CAM NC, first depicting ACER's review included in the scoping document, a question on how you assess the need for a change in the article, and a question inviting you to elaborate your answer with specific elements.

D CAM NC Preamble



CAM NC Preamble - point (x) (new)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| ACER Special Report on addressing congestion in North-West European gas markets | <ul style="list-style-type: none">To maximise technical capacity as well as (bundled) firm capacity (cf. p.15-17)A further strengthening of coordination between neighbouring system operators and regulatory authorities is needed, for instance, by harmonising calculation methodologies (cf. p. 16) | yes |
| N/A | <p>Clear recital or New article on CAM principles</p> <ul style="list-style-type: none">The core principles of capacity allocation mechanism must be explicitly defined in the NC. Allocation capacity mechanisms must guarantee the well-functioning of the internal market (GTM, guarantee the gas flows, not bottlenecks, bundled offer, cascading principle, market-based allocation, etc.). | yes |

8 Do you agree with ACER's review of the CAM NC Preamble and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 9 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

Generally, harmonizations and standards are crucial for the European internal market. In this specific case, there is a risk that harmonization may be based on the lowest common denominator, ultimately leading to a deterioration of capacity conditions in some countries. Overall, the German Association of Energy and Water Industries (BDEW) sees no added value in harmonizing the calculation method at the European level, as it is already established, for example, in Germany. The third point regarding 'CAM principles' is assessed more neutrally and is therefore not necessarily essential. However, it is likely that formulating it would not be detrimental either.

E CAM NC, Chapter I, General provisions (Articles 1-3)



CAM NC Article 1 – Subject matter

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

8

* 10 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
-

- Neutral
- Disagree
- Strongly disagree

* 11 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|---|---------------------|
| N/A | <p><i>"When implicit allocation methods are applied, NRAs may decide not to apply article 8 to 37."</i> (Article 5(2) of CAM NC)</p> <ul style="list-style-type: none"> Make sure mechanisms of implicit allocation (IA) are consistent with the key principles of the CAM NC, in particular the principle of capacity bundling. To avoid distortions in the functioning of the Internal Market, CNMC considers that all capacity allocation mechanisms must respect the core principles of CAM. Consequently, the CAM NC should be revised article by article (in particular, art.8 to art.37) to analyse the consequences of not applying those articles when implicit allocation is in place. Coordination when deciding and bundling as two key principles also for IA <p><small>(CAM TF)</small></p> | yes |

* 12 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

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In Germany, implicit auctions are currently not applied, except for a minor exception in the southern direction towards Austria. The explanations provided do not clearly articulate the true objectives of the ACER proposal. In general, it can be stated that where it is implement-ed, the process is also satisfactory.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>ACER Special Report on addressing congestion in North-West European gas markets</u> | <ul style="list-style-type: none"> • “Introduce the concept of ‘technical capacity’, which refers to the (non-static) maximum-flow capacity at a (virtual) interconnection point considering the network that is optimised for a most likely flow scenario, as opposed to ‘firm technical capacity’, which is the capacity that can be guaranteed in all flow scenarios. Both indicators shall be reported and updated by TSOs regularly;” (p. 17) • Time elements to be considered in these dynamic definitions; (CAM TF) <p><i>Relation with Transparency annex – publication requirement</i></p> | yes* |
| <u>FUNC 01/2020 “Greater flexibility to book firm capacity at IPs” - Issue Solution and Issue Solutions Supporting Note</u> | <ul style="list-style-type: none"> • Realign auction calendar dates to span July-June | yes |

* Alignment with definitions provided by hydrogen and decarbonised gas markets package

10

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|---|---------------------|
| N/A | <p>Review definition of implicit allocation (alignment with the key principles, in particular bundling) (CAM TF)</p> <ul style="list-style-type: none"> • “<i>implicit allocation method</i>’ means a capacity allocation method where, possibly by means of an auction, both transmission capacity > on both sides of the border < and a corresponding quantity of gas are allocated at the same time;” (Article 3(6) of CAM NC, with textual clarification) | yes |

* Alignment with definitions provided by hydrogen and decarbonised gas markets package

11

* 14 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
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* 15 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW would like to note that the term 'technical capacity' is already defined in Regulation No. 715/2009, and capacity is also listed in the amended Gas Market Directive. Introducing a new definition for the same term should be avoided.

The point regarding the 'implicit allocation method' is already a lived reality in the EU, and therefore, a written incorporation is welcomed.

F CAM NC, Chapter II

Principles of cooperation (Articles 4-7)



CAM NC Article 4 – Coordination of maintenance

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

13

- * 16 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
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BDEW also sees no potential for improvement in this article compared to its current formulation.

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14

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| <u>ACER Special Report on addressing congestion in North-West European gas markets</u> | <ul style="list-style-type: none"> “Introduce the concept of ‘technical capacity’, which refers to the (non-static) maximum-flow capacity at a (virtual) interconnection point considering the network that is optimised for a most likely flow scenario, as opposed to ‘firm technical-capacity’, which is the capacity that can be guaranteed in all flow scenarios. Both indicators shall be reported and updated by TSOs regularly;” (p.17) Time element to be considered (CAM TF) <p><i>Relation with Transparency annex – publication requirement</i></p> | yes* |
| <u>ACER Special Report on addressing congestion in North-West European gas markets</u> | <ul style="list-style-type: none"> “Promote further harmonisation in the offering of interruptible capacities considering ‘technical capacity;” (p. 17) | yes |

15

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>ACER Report on the Conditionalities Stipulated in Contracts for Standard Capacity Products for Firm Capacity</u> | <p>Integrate conditional capacity products</p> <ul style="list-style-type: none"> “The Agency would welcome a set of harmonised rules, to provide for an effective and well-functioning gas and capacity trading in the EU in line with the competition, environmental and societal goals of the Union.” (p. 10) | maybe |
| <u>Implementation Monitoring Report on the Capacity Allocation Mechanisms Network Code – 2016</u> | <p>Introducing a process or methodology:</p> <ul style="list-style-type: none"> “As the NC CAM does not specify what “dynamic recalculation” exactly means and what frequency would be an appropriate one, the Agency requests NRAs and TSOs to discuss and clarify this term. Depending on the outcome, the Commission may need legally to define this term later on.” (p. 6) | maybe |

16

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- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 21 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW sees no concrete advantage in specifying or even aligning the 'dynamic recalculation'. It is also questionable what the “dynamic recalculation” refers to.

1. Maximization monthly or
2. Yearly recalculation

Regarding a): it is safe to say, that short-term events (changes of weather-conditions, etc.) are already considered in the different product-types.

Regarding b): the capacity calculation is a very complex process with a lot of different input factors which have to be taken into consideration. It takes several months to arrive at reliable results. Therefore, a higher frequency than once a year seems to be impractical.



CAM NC

Article 7 – Exchange of information between adjacent transmission system operators

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

17

* 22 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 23 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

G CAM NC, Chapter III

Allocation of firm capacity products (Articles 8-18)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | <p>Possibly revisit the set-aside rules of points (6) and (7)</p> <ul style="list-style-type: none"> • "ACER and ENTSOG did consider whether there would be a need to revise also the set-aside rules, in order to avoid capacity for the shorter-term products from being sold-out. No concrete proposal has been put forward as the current wording of the Article already allows for greater shares to be set aside. It can however be considered for the official amendment process whether higher volumes of capacity should be set aside, and/or if a dedicated set-aside rule should be applied to each short-term product" <p>(Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 16)</p> | maybe |

19

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|--|---------------------|
| <u>FUNC 04/2019 "Auction restrictions NCG"</u> | <p>Relevance to be re-assessed</p> <p>"Given the auction-based capacity allocation according to CAM NC at IPs and the deviating capacity allocation process at DEPs based on national law, capacity cannot be allocated in a straightforward manner as competing capacities. Based on that, a reallocation of capacities from IP to DEP might be appropriate as an interim measure for such exceptional cases, if TSOs are guided by a number of predefined criteria:</p> <ul style="list-style-type: none"> • This procedure does not endanger security of supply both for customers supplied via the IP or the DEP • There is no competitive reasoning that there is indeed potential for competing demand for capacity at both IP and DEP and, in the absence of appropriate network expansion, the level of demand at the DEP cannot be met without allocating capacity from the IP to the DEP • Capacity may be reallocated to the DEP and will be re-allocated again to the IP if it is no longer needed at the DEP • The relevant network operator offering the capacity seeks cost-efficient measures to meet the overall capacity demand and render the re-allocation redundant. • A reallocation of available capacity is the efficient result of an alignment between the involved network operators of the market areas impacted by the reallocation. • The highest level of transparency is ensured, which involve a yearly alignment meeting between relevant parties, in particular the national regulatory authorities (NRAs) and network operators of the market areas impacted by the reallocation. Furthermore, shippers are informed of possible reallocation of unbooked capacity prior to the relevant auctions on the capacity booking platforms. • TSOs and NRAs will make their best efforts to assure that this interim measure lasts the shortest period of time possible." (Auction Restrictions in the NCG Market Area Issue Solution Note 2020, p. 1-2) | maybe |

20

- * 24 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

- * 25 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The implementation ultimately depends on the decision regarding the 'auction calendar'.
The set-aside rules should also apply for the UPA auctions. Thus, reserved capacities may not be offered in the additional UPAs for the same product runtime.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <p><u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u></p> | <ul style="list-style-type: none"> • Advance booking of day-ahead products: Introduction of a 'Balance-of-Month' product [OPTION] <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 17)</small> <p style="text-align: center;"><i>Relation with NC TAR – setting the tariff for the product</i></p> | <p>yes</p> |

* 26 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 27 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

Generally, we welcome the possibility of advanced booking of day-ahead products in order to align capacity with the trading product balance of month.

Nevertheless, we disagree to implement a new BoM product but instead favor to have an BoM auction (daily capacity bundled for the remaining days of the month).

This would be more efficient overall than introducing a new balance-of-month product, which would also impact the NC TAR and result in significantly more effort for the same objective pursuit. This is the reason why we reject the introduction of a new standard capacity product in its originally proposed form.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

* 28 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 29 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | Additional booking opportunities <ul style="list-style-type: none"> Any Y firm capacity available after ACAs will be auctioned in subsequent UPAs; Proposed regularity: weekly, on Thursdays (subject to change according to flexibility proposal) Once proposed via UPA, a product can no longer be proposed via ACA again <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 22)</small> | yes |

23

- * 30 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 31 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

In general, all points regarding additional auctions are feasible, but they come with associated costs. A cost-benefit analysis should be conducted beforehand to provide transparency. The runtime of products offered at the same time should not be overlapping. Furthermore, the prescribed sequence of ACA before UPA is positive. We especially support weekly auctions UPAs for capacity bookings with duration longer than a month.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <u><i>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</i></u> | Additional booking opportunities <ul style="list-style-type: none"> Any Q firm capacity available after ACAs will be auctioned in subsequent UPAs; Proposed regularity: weekly, on Thursdays (subject to change according to flexibility proposal) Once proposed via UPA, a product can no longer be proposed via ACA again (<i>ACER and ENTSOG have diverging views on the implementation</i>) <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 22)</small> | yes |

24

* 32 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 33 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

Please see answer 31 above.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | <p>Additional booking opportunities</p> <ul style="list-style-type: none"> Any M firm capacity available after ACAs will be auctioned in subsequent UPAs; Proposed regularity: weekly, on Thursdays (subject to change according to flexibility proposal) Once proposed via UPA, a product can no longer be proposed via ACA again (<i>ACER and ENTSOG have diverging views on the implementation</i>) <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 22)</small> <p>Advance booking of monthly products</p> <ul style="list-style-type: none"> All 3 M products within a given Q will be auctioned via ACA before start of Q, then auctioned via UPA each week <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 17-19)</small> | Yes |

25

- * 34 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

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- Strongly agree
 Agree
 Neutral
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 Strongly disagree

- * 35 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

In relation to the additional booking opportunities, as outlined in response 27, we have emphasized that a more straightforward implementation a combined auctioning of remaining daily capacities of the respective month is more advantageous compared to introducing a new standard capacity product. We agree with the fourth point; there should be the option for advanced bookings for monthly products.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|--|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | Advance booking of day-ahead products <ul style="list-style-type: none"> Introduction of a 'Balance-of-Month' product [OPTION] <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 19)</small> | yes |

26

- * 36 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

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 Agree
 Neutral
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- * 37 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

Please see our answer to question 27 and 35.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|--|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | Advance booking of day-ahead products <ul style="list-style-type: none"> Daily offer of DA products for the following 7 days on a rolling basis until the end of the month <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 18)</small> | yes |

27

- * 38 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

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Rolling balancing of month capacity auctions is given higher priority. If the proposed rolling day-ahead capacity auctions can be implemented with minimal effort and costs, they would also be considered a 'nice to have' addition.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|---|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | <ul style="list-style-type: none"> Move the closing of the first WD bidding round ('WD24') earlier in the day (1h30 D → 21h D-1 UTC winter-time) (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 24) | yes |

28

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We are indifferent to the proposal of a time delay for the described WD24.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
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| <u><i>FUNC 01/2020 “Greater flexibility to book firm capacity at IPs” - Issue Solution and Issue Solutions Supporting Note</i></u> | Additional booking opportunities <ul style="list-style-type: none"> Any Y, Q, M firm capacity available after ACAs will be auctioned in subsequent UPAs <small>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 15)</small> | yes |

29

- * 42 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

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 Strongly disagree

- * 43 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW attaches special importance to additional booking opportunities and the proposal to Art. 16.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|---|--|---------------------|
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | <p>More efficiency in the ACA allocation process</p> <ul style="list-style-type: none"> Explicitly allow TSOs to jointly decide to modify the level of price steps during the auction process (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 21) Provide for a termination rule of ACAs, to allow UPAs to take place (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 28) | yes |
| <u>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</u> | <p>Investigate the possibility/need of introducing pro-rata rule under ACA</p> <ul style="list-style-type: none"> "this option of a pro-rata allocation under ACAs was overall not considered optimal by NRAs and TSOs insofar as (i) it would require the ACA algorithm to be amended as its current parameters do not allow for this feature and as (ii) allowing for a change in the level of price steps during the auction process was deemed easier and more efficient. In any case, with additional UPAs taking place after ACAs, a pro-rata allocation will take place if demand exceeds offer, under already-existing UPA rules." (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 21) Assess whether a pro-rata rule should be added to the ACA algorithm in cases of long-lasting auctioning processes and/or to reduce the risk of price manipulation (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 21) | maybe |
| N/A | <ul style="list-style-type: none"> Assess the most efficient way of improving the efficiency of the ACA algorithm, in particular the introduction of a pro-rata allocation, in view of maximization of allocated volumes and risk of price manipulation (cf. CNMC note) | maybe |

30

- * 44 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 45 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW would like to outline some considerations regarding the individual points. The need to adjust price steps in an ongoing auction can be minimized through a well-defined price step structure established in advance. Auctions that last for extended periods are error-prone and resource-intensive, so the voluntary adjustment through a mechanism in exceptional cases is noteworthy.

However, BDEW would like to point out that the 'joint' coordination between TSOs is likely to be time-consuming in practice. Therefore, reasonable price steps are equally important from the outset. Although the implementation may not be straightforward, misjudgements will continue to occur in a volatile market environment. The explanations regarding 'pro rata' are rejected, as it is unclear for the involved stakeholders what the outcome would be. The key element is simply that errors can be corrected.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

31

- * 46 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 47 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

H CAM NC, Chapter IV

Bundling of capacity at interconnection points (Articles 19-21)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|--|---------------------|
| <u>ACER Special Report on addressing congestion in North-West European gas markets</u> | <ul style="list-style-type: none"> neighbouring TSOs to “<i>jointly maximise marketing of firm bundled capacities as reflected in the indicator for ‘firm technical capacity’ and allocation of unbundled firm capacities as less as possible;</i>” (p. 16) | yes |
| <u>ACER Monitoring Update on Incremental Capacity Projects and Virtual Interconnection Points – 2020</u> | | yes* |
| <u>FUNC 04/2018 “Implementation of Virtual Interconnection Points” - Solutions note</u> | <ul style="list-style-type: none"> “Ambiguity in text of Regulation 459/2017 (NC CAM) regarding the way of implementation of virtual interconnection points (VIPs)” (Func Issue Solution Virtual Interconnection Points, p. 1) | |

• Hydrogen and decarbonised gas markets package might clarify it already. EC proposal reads “[...] Any contracted capacity at the interconnection points, regardless of the date of its conclusion, shall be transferred to the virtual interconnection point.”

33

- * 48 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 49 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

In general maximizing bundling of firm capacity is crucial on a European level but at least in Germany the maximizing principle is already implemented. In terms of the 'firm capacity,' we would like to refer to the explanation provided in Question 15. During the ACER workshop (12.12.23), the question regarding the difference between the proposal at this point and the already established wording in Article 6(1)(a) No. 1 remained unanswered. Furthermore re-garding the VIP proposal, it remains unclear whether it pertains to the transfer of old capacity or the execution, which has not yet been completed. From our point of view the new definition of VIPs in the EU Gas and hydrogen package is sufficient.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <p><u>ACER Opinion 06/2018 on the template for the main terms and conditions covering contractual provisions which are not affected by fundamental differences in principles of national law or jurisprudence, for the offer of bundled capacity products</u></p> <p>N/A</p> | <p>update of ENTSOG's "catalogue of the main terms and conditions in the transport contract(s) of the transmission system operators for bundled capacity products." (p. 2)</p> <ul style="list-style-type: none"> "The Agency is of the view that the Template does not always go as far as would be desirable. In particular, the Agency recommends that the template is enhanced by providing its content in a form ready to be used in contracts across the Union and by elaborating best practices." (p. 19) "Moreover, the Agency draws ENTSOG's attention on the observations formulated in the recitals of this Opinion." (p. 19) <p>Ensure minimum alignment of Terms and Conditions for dealing with cancellations of bundled capacity</p> | <p>yes</p> |

34

* 50 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 51 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The proposal overlooks the fact that there are many differing national laws and systems in this regard. Balancing systems vary significantly. A word-for-word alignment to the lowest common denominator agreed upon can also lead to national deteriorations. For example, termination rights in Germany are well regulated. Harmonization to a minimum standard is neither desired nor advantageous overall.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <p><u>ACER's comments on the Capacity Conversion Model created by ENTSOG pursuant to Article 21(3) of the NC CAM</u></p> | <ul style="list-style-type: none"> • “ENTSOG <i>does not</i> provide for a harmonized conversion model. According to Article 21(3), NC CAM foresees that ENTSOG provides for a harmonized conversion model. The NC does not aim for the application of all potentially existing “conversion methods”, which are designed individually by each TSO. The NC foresees that ENTSOG will coordinate across TSOs and propose a model that fits with the general principles of the NC CAM to offer “transparent and efficient allocation of capacity.” (p. 3) • “The Agency <u>recommends</u> that the same conversion model applies at least per entry-exit zone border, should several Interconnection Points connect the respective entry-exit zones.” (p. 3) | <p>maybe</p> |

* Hydrogen and decarbonised gas markets package might clarify it already

35

- * 52 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

- * 53 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The proposed automation appears to be already feasible through the capacity booking plat-form PRISMA and RBP.

I CAM NC, Chapter V

Incremental capacity process (Articles 22-31)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

37

- * 54 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 55 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

38

- * 56 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 57 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

Article 24 – Combination into single economic test*

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

39

* 58 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 59 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

40

* 60 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 61 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <u>2nd Monitoring Update on Incremental Capacity Projects - 2021</u> | <p>Frequency of process</p> <ul style="list-style-type: none"> “As far as the existing <u>incremental process</u> is concerned, the process is burdensome for TSOs and NRAs and, given the limited expectations on the future gas consumption, NRAs question whether the obligation to repeat the incremental-capacity cycle every 2 years for all gas interconnection points remains meaningful.” (p. 12) <p>Administrative fees</p> <ul style="list-style-type: none"> “Within the current rules, NRAs may, in line with Article 26(11) of the CAM NC, approve the <u>charging of a fee to network users that wish to express non-binding interest</u>. Such fee shall reflect the administrative costs of the process and could help to attract more robust expressions of non-binding interest that have a better chance of being converted into binding capacity bookings or lead to a closure of the incremental process in the earliest stage of the demand assessment.” (p. 12) | maybe |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

• Hydrogen and decarbonised gas markets package must fix legal basis
• JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

41

* 62 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 63 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

42

* 64 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 65 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

• Hydrogen and decarbonised gas markets package must fix legal basis
• JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

43

* 66 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 67 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |
| N/A | The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures. | maybe |

• Hydrogen and decarbonised gas markets package must fix legal basis
• JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

44

* 68 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 69 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|---|---------------------|
| / | / | no |
| N/A | <p>The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures.</p> <p>To be considered if for the case of multi-IP projects (longer corridors) a harmonised process has added value (CAM TF)</p> | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

45

* 70 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 71 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|---|---------------------|
| / | <ul style="list-style-type: none"> Based on the nature of the article it <u>may be redundant</u> or to be <u>updated</u> | yes |
| N/A | <p>The chapter on incremental capacity should be deleted from the NC. Triggering (cross-border) investments in light of climate neutrality objectives could be considered contradicting and experience with incremental processes in the past showed little relevance against cumbersome procedures.</p> | maybe |

- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) In Joined Cases T-684/19 and T-704/19

46

- * 72 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 73 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The regulations concerning the Incremental Capacity Process in Chapter V (Questions 54-73) have, from the German perspective, had no discernible impact or success in the desired sense. However, before considering their outright removal, at least an alternative should be introduced in the upcoming consultation process.

J CAM NC, Chapter VI

Interruptible capacity (Articles 32-36)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

* 76 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 77 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

Article 34 – Coordination of interruption process

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

* 78 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 79 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

Article 35 – Defined sequence of interruptions

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

* 80 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 81 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | no |

* 82 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

* 83 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

BDEW also sees no potential for improvement in this article compared to its current formulation.

K CAM NC, Chapter VII

Capacity booking platforms (Article 37)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|---|---------------------|
| <u>ACER Decision 10-2019 on the Selection of a Capacity Booking Platform for the Malinow and GCP Gas Interconnection Point (Corrigendum)</u> | <ul style="list-style-type: none"> Review the future involvement of ACER in the selection process | maybe |
| N/A | <p>Efficiency of the process</p> <ul style="list-style-type: none"> proposal: reassess/redraft the rules for deciding on an auction platform (Art. 37) to avoid repeating procedures in a relatively short timeframe (e.g. by extending the validity time of the platform decision to avoid additional red-tape or require a reassessment on a needs/request basis) | maybe |

54

- * 84 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 85 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

The validity time of the ACER decision should be extended. However, the participating TSOs should always retain the option to deviate from the decision if they reach a bilateral agreement regarding the platform. In such instances, a switch of the platform should be possible at any time. ACER should continue to hold the decision-making role as a last resort.

L CAM NC, Chapter VIII

Final provisions (Articles 37A-40)

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|--|--|---------------------|
| <p><u><i>FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</i></u></p> <p>N/A</p> | <p>More flexibility to adapt several CAM rules</p> <ul style="list-style-type: none"> The CAM NC should allow several identified rules and parameters to be changed, ahead of auction year, after due assessment, consultation, and regulatory decision (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 "Greater flexibility to book firm capacity at IPs" 2023, p. 28-29) <p>regulators must be involved in any change affecting the functioning of the capacity allocation mechanisms set in the regulation</p> | <p>yes</p> |

56

* 86 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

* 87 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

It is critical to note that almost all relevant regulatory content can be changed without follow-ing the regular adjustment process for regulations.

This approach would result in stakeholders having no binding basis for their transactions.

If Art. 37a remains it is of utmost importance that ACER, NRA and ENTSOG decide jointly about any changes.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|---|---------------------|
| / | <ul style="list-style-type: none"> Based on the nature of point 4 of the article (conditionalities report), it may be redundant or to be updated | yes |

57

- * 88 Do you agree with ACER's review of this CAM NC article and the identified area(s) of improvement (yes=amendment identified, maybe= amendment may improve market, no=no change envisioned)?

An amendment may further improve the market functioning and better capacity allocation

- Strongly agree
 Agree
 Neutral
 Disagree
 Strongly disagree

- * 89 Please elaborate on why do you agree or disagree with ACER's review, being specific about which elements you agree or disagree with? Are there further improvements that you consider relevant in this area in addition to the ones raised by ACER in the scoping document; please explain your reasoning?

We agree to this proposal. The provided date alone serves as justification.

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | / |

58

90 This article concerns legal procedural matters; please write down any comments you may have on this article?

| Policy paper reference | Nature of proposal in the policy paper | Area of improvement |
|------------------------|--|---------------------|
| / | / | / |

59

91 This article concerns legal procedural matters; please write down any comments you may have on this article?

M Other comments or suggestions

92 Do you have any other comments or suggestions?

The BDEW welcomes the examination of the NC CAM, especially in light of the crisis year 2022. Many proposals present an improving potential for access to firm capacity or optimization. However, we would like to emphasize that the need for adaptation should also be accompanied by minimal implementation effort and an overly detailed regulation may not necessarily be advantageous for all stakeholders in the European market.

N Responses are published in full, save for the contact person information; please confirm that your version does not contain confidential information

* 93 I understand my response will be published and

- I confirm that my response does not contain confidential information
- I confirm that my response contains confidential information, properly marked as such, and a non-confidential version of my answer is included

Thank you!

Contact

[Contact Form](#)