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

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.
B General information

1 Name and Surname:

2 Email

3 Company:

bayernets GmbH

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: 

not applicable

6 Business field: 

- TSO
- DSO
- Shipper/trader
- Association
- Other

7 Please specify if other: 

not applicable

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

<table>
<thead>
<tr>
<th>Policy paper reference</th>
<th>Nature of proposal in the policy paper</th>
<th>Area of improvement</th>
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</table>
| ACER Special Report on addressing congestion in North-West European gas markets | • 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 | Clear recital or New article on CAM principles  
• 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 (GTIM, 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)?

- **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?

The conditions and the calculation models are very different in the individual EU countries due to the complexity and topological differences of the networks. The regulations and definitions regarding "technical capacity" are currently contained in European and national standards. Current capacity allocation rules are implemented and widely known to the market. The principles described are already implemented in the current rules and standardized on the booking platforms while optimization takes place through the implemented FUNC-process. It is unclear how more precise definitions lead to improvement in some parts while not restricting the market in other parts.

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

### CAM NC

**Article 1 – Subject matter**

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<tr>
<th>Policy paper reference</th>
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<td></td>
<td></td>
<td>no</td>
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</table>

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)?

- **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?

We agree with ACER’s proposal, because the subject matter is clearly defined.

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<tr>
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<tr>
<td>N/A</td>
<td>“When implicit allocation methods are applied, NRAs may decide not to apply article 8 to 37.” (Article 5(2) of CAM NC) • 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, CENMC 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 (CAM 17)</td>
<td>yes</td>
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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

13 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?

Implicit allocation methods are a rare exemption within the European market which does not justify a major adjustment. For this reason, the NRA/TSO who seeks an exemption from Art. 8 to 37 should individually analyse the impact of such decision. However, this should be on a case-by-case basis and not as part of the general CAM rule.
<table>
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<tr>
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<tr>
<td>ACER Special Report on addressing congestion in North-West European gas markets</td>
<td>• “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” (article 11)</td>
<td>yes*</td>
</tr>
<tr>
<td>FUNC 01/2020 “Greater Flexibility to book firm capacity at IPs” - Issue Solution and Issue Solutions Supporting Note</td>
<td>• Realignment auction calendar dates to span July-June</td>
<td>yes</td>
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* Alignment with definitions provided by hydrogen and decarbonised gas markets package

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**CAM NC Article 3 – Definitions* (2/2)**

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<tr>
<td>N/A</td>
<td>Review definition of implicit allocation (alignment with the key principles, in particular bundling) (CAM TF)</td>
<td>yes</td>
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  • “Implicit allocation method” 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(8) of CAM NC, with textual clarification) |

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

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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
- Disagree
- Strongly disagree

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?
An amendment or deviating definition seems not to be appropriate. Furthermore, the aim of introducing such a concept is unclear. A dynamic model would be overly complex (which scenarios should be considered, and which denied at which point in time?; How often should it be recalculated?) and for this reason would not provide the market any additional value or even create harmful, easily misinterpreted information. Agree to amend the definition of “auction calendar” as proposed.

F CAM NC, Chapter II
Principles of cooperation (Articles 4-7)

**CAM NC**

**Article 4 – Coordination of maintenance**

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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)?

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

17. 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 with ACER's proposal, because the coordination of maintenance works without problems.
18 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

19 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 with ACER's proposal, because the Standardisation of communication works without problems.
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

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?
Regarding “Introduce the concept of ‘technical capacity’“: please see answer no. 15. Furthermore, to achieve an optimal utilization of the network, at most German IPs the German TSOs offer infinitive interruptible capacity. In case the offered interruptible capacity is limited by the new “technical capacity” it will harm the utilization of the network.

Regarding "Integrate conditional capacity products": In the new Reg. 715 „conditional capacity“ will be defined as "means firm capacity that entails transparent and predefined conditions for either providing access from and to the virtual trading point or limited allocability. NC CAM should not define “conditional capacity” differently.

Regarding "Introducing a process or methodology": It is questionable what the “dynamic recalculation” refers to.

a) Maximization monthly
b) Yearly recalculation

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

To 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.

Another aspect is, that adjustments to the technical capacity during the year could lead to uncertainty in the market, as customers demand reliable capacities in the long term (yearly-auctions).

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**CAM NC**

**Article 7 – Exchange of information between adjacent transmission system operators**

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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)?

- [ ] Strongly agree
- [ ] Agree
- [ ] Neutral
- [ ] Disagree
- [ ] Strongly disagree

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

We agree with ACER's proposal, because the exchange of information between adjacent transmission system operators works without problems.

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
--- | --- | ---
FUNC 01/2020 “Greater flexibility to book firm capacity at IPs” - Issue Solution and Issue Solutions Supporting Note | Possibly revisit the set-aside rules of points (6) and (7)  • 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 short-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” (Annex I – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 18) | maybe

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)?
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 regulations on reservation quotas must be adjusted if additional UPAs are introduced. In this case, reserved capacities may not be offered in the additional UPAs for the same product runtime.

DEPs are not yet affected by European law and have been established based on different regulations in the European markets. Furthermore, this topic has been decided in FUNC Issue 04/2019 and successfully implemented. Any re-assessment of this issue would undermine market trust into the institution of the FUNC-Issue.

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?

The introduction of a new capacity product (BoM) is not necessary to implement the possibility to book the remaining days of a month. It is sufficient to implement a new possibility to book daily products more in advance (see answer no. 37). In addition, it is very problematic to implement new products due to national legislation. There are different multipliers for different product runtimes in place which do not fit to a new runtime.

The valuation “strongly disagree” refers only to the implementation of a new product in Art. 9 but not to the BoM-mechanism itself.

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?

We agree with ACER’s proposal, because the applied capacity unit works without problems.
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?

The assessment whether the implementation of additional booking opportunities for yearly products is beneficial for the market should be up to market participants (traders, transport-customers). The final decision should be based in any case on a cost-benefit-analysis. To avoid excessive traffic on the IT systems, the additional auctions should not be more often than once a week. Furthermore, the additional auctions should cover only the upcoming gas year. The cascading principle should be respected.
**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?

The assessment whether the implementation of additional booking opportunities for yearly products is beneficial for the market should be up to market participants (traders, transport-customers). The final decision should be based in any case on a cost-benefit-analysis. To avoid excessive traffic on the IT systems, the additional auctions should not be more often than once a week. Furthermore, the additional auctions should cover only the upcoming gas year. The cascading principle should be respected.
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

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 assessment whether the implementation of additional booking opportunities for yearly products is beneficial for the market should be up to market participants (traders, transport-customers). The final decision should be based in any case on a cost-benefit-analysis. To avoid excessive traffic on the IT systems, the additional auctions should not be more often than once a week. Furthermore, the additional auctions should cover only the upcoming gas year. The cascading principle should be respected.
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

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 assessment whether the implementation of additional booking opportunities for yearly products is beneficial for the market should be up to market participants (traders, transport-customers). The final decision should be based in any case on a cost-benefit-analysis. To avoid excessive traffic on the IT systems, the additional auctions should not be more often than once a week. Furthermore, the additional auctions should cover only the upcoming gas year. The cascading principle should be respected.
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

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 mentioned 7-days-rolling method is an alternative to the BoM mechanism. The market seems not to be in favor of it, because BoM provides more booking-opportunities.
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

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?

Should be assessed by the stakeholders (traders, transport-customers). The cascading principle should be respected.
**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

- [ ] Strongly agree
- [ ] Agree
- [ ] Neutral
- [ ] Disagree
- [ ] 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?

If additional auctions are implemented they should be allocated via an UPA.
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

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?

There is no need to adjust the price steps during an ongoing auction. There are possibilities to set the price steps appropriately in advance (based on price spreads between adjacent hubs). If auctions are not completed on time, there are already mechanisms in place (Art. 17 (22) NC CAM). A pro rata allocation of capacities seems to contradict the principle of willingness-to-pay and should therefore be rejected.
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

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 with ACER's proposal, because the uniform-price auction algorithm works without problems.

H CAM NC, Chapter IV
Bundling of capacity at interconnection points (Articles 19-21)
**CAM NC**

**Article 19 – Bundled capacity**

### 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 | • neighbouring TSOs to "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." (p. 16) | yes
ACER Monitoring Update on Incremental Capacity Projects and Virtual Interconnection Points – 2020 |  | yes*
FUNC 04/2018 "Implementation of Virtual Interconnection Points" - Solutions note | • "Ambiguity in text of Regulation 458/2017 (NC CAM) regarding the way of implementation of virtual interconnection points (VIPs)" *Func issue Solution Virtual Interconnection Points, p. 1* |  

### Additional Note

- 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

### Question 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)?

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

### Question 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?

Regarding technical capacity please see answer no. 21. As the current regulations on bundling already lead to a maximum of bundled capacities, it is also unclear what is to be achieved here. It should be also considered that unbundled capacity may only be market-ed to a limited extent in the future.

Implementation or non-implementation of VIPs has already been decid-ed upon. Any deviating requirements would likely result in inefficiencies or loss of firm capacity. Furthermore, it is to be expected, that Art. 5 (3) of the revised Reg. 715 will include additional rules regarding VIPs.
**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?

Due to the requirements of NC CAM, the content of the transport contracts is almost completely standardized. In addition to the regulatory content, which is based on European standards, national regulations are also reflected in the transport contracts. Those national requirements cannot be harmonized anyway.
Policy paper reference: ACER's comments on the Capacity Conversion Model created by ENTSOG pursuant to Article 21(3) of the NC CAM

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<tr>
<td>• ENTSOG does not 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)</td>
<td>maybe</td>
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<td>• “The Agency recommends 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)</td>
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* Hydrogen and decarbonised gas markets package might clarify it already

**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?

There is a harmonised conversion model provided by ENTSOG ("CAP0717-17_170724_ENTSO_E_Capacity-conversion-model_final GA") since 2017. For all booking platforms currently used by the German TSOs there is an automated conversion model in place. The shipper can convert the capacity during a capacity auction process by entering information about the contract that should be converted.

**CAM NC, Chapter V**

**Incremental capacity process (Articles 22-31)**
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

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)?

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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
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<td>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.</td>
<td>maybe</td>
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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)?

- 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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
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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)?

- 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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, against the background of potential CH4-phaseout, the whole process should be deleted.
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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted. Regarding the frequency of process and the administrative fees your arguments are understandable.
An amendment may further improve the market functioning and better capacity allocation.

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

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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
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- Hydrogen and decarbonised gas markets package must fix legal basis
- [JUDGMENT OF THE GENERAL COURT, 16 March 2022, T-131/19 and T-704/19]

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)?

![Strongly agree](yes)
- 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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
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)?

- 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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.
CAM NC

Article 30 – Principles for alternative allocation mechanisms

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<td>N/A</td>
<td>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. To be considered if for the case of multi IP projects (longer corridors) a harmonised process has added value (CAM TF)</td>
<td>maybe</td>
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* 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?
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<td>• Based on the nature of the article it may be redundant or to be updated</td>
<td>yes</td>
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<td>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.</td>
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- Hydrogen and decarbonised gas markets package must fix legal basis
- JUDGMENT OF THE GENERAL COURT: 16 March 2022 (C-16 in Joined Cases T-694/19 and T-704/19

**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 incremental process did not result in a successful project so far but created a lot of bureaucratic workloads for the TSOs and NRAs. Therefore, and against the background of potential CH4-phaseout, the whole process should be deleted.

J CAM NC, Chapter VI
Interruptible capacity (Articles 32-36)
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)?

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

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

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?

TSOs are already working together to maximize the offer of firm and interruptible capacity. Regarding the bundling of interruptible capacity the approval of all TSOs involved is necessary. Due to the infinitive offer of unbundled capacity at some (V)IPs, a mandatory bundling of interruptible capacity isn’t effective and is therefore rejected.
**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?

We agree with ACER's proposal, because the minimum interruption lead times is clear defined.
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?

We agree with ACER's proposal, because the coordination of interruption process works without problems.
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?

We agree with ACER's proposal, because the defined sequences of interruption process is clear defined.
• 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?

We agree with ACER's proposal, because the reasons for interruptions are clear defined.

K CAM NC, Chapter VII
Capacity booking platforms (Article 37)
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

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 welcome the idea of extending the validity time of the ACER decision. Nevertheless, the involved TSOs should in any case have the option to deviate from the decision when they come to a bilateral agreement about the platform. In this case a switch of the platform should be possible anytime.

L CAM NC, Chapter VIII
Final provisions (Articles 37A-40)
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 following the regular adjustment process for regulations. This approach would result in stakeholders having no binding basis for their transactions.

The involvement of the NRAs is not sufficient to ensure a meaningful process. If Article 37a remains it is of utmost importance that ACER, NRA and ENTSOG decide jointly about any changes.
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

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 argumentation of ACER is understandable.
This article concerns legal procedural matters; please write down any comments you may have on this article?

We don’t have any comments to this article.
Do you have any other comments or suggestions?

We don't have any further comments or suggestions.

N Responses are published in full, safe 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