

ACER - ENTSOG public consultation on the FUNC issue: how to ensure greater flexibility to book firm capacity at interconnection points

Fields marked with * are mandatory.

Introduction

The following survey has been prepared by ACER/ENTSOG in the framework of the workshop held on 27 June 2022 on the FUNC [issue ID 01/2020](#): “How to ensure greater flexibility to book firm capacity at interconnection points”.

This survey is designed to collect data and information from stakeholders to evaluate options presented at the workshop and collect additional information.

The workshop discussions and the information collected through this survey form input, in addition to other materials and the legal framework, for ACER and ENTSOG to complete the FUNC issue in the form of a solution note.

The video recording of the workshop as well as the presentations are available at this [link](#). We encourage consultation participants to review all available material before answering the survey.

Participants are welcome to respond to the survey by 4-August 18 August 2022.

We kindly ask that only one participant per organisation replies to the survey.

I have read and understood ACER's Data Protection Notice on Interactions with Stakeholders ([link](#)) /ENTSOG privacy statement ([link](#))

My response:

- can be published provided that my organisation remains anonymous
- can be published with my organisation's information
- is confidential

General information

MS

- 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

Other

Name and Surname

* Company

Email

Questions

1. Please evaluate the different proposals to have greater flexibility for booking firm capacity at interconnection points

Brief introduction to the integrated proposals (please check the workshop materials for more detailed information)

EFET proposal: Supplementary Uniform Price Algorithm (UPA) auctions for yearly, quarterly, and monthly products would be held for any capacity remaining unsold after the first relevant CAM NC Ascending clock algorithm (ACA) auction, up to the point where the capacity becomes usable. Monthly ACA auctions are scheduled earlier, on the 1st Monday of the month.

ENTSOG Proposal 1 - Shorten the bidding rounds of ACA: With shorter bidding rounds*, more bidding rounds could be held within the same timeframe. The concrete runtimes of bidding times might not have to be defined in the code; NC CAM could state they have to be published in connection to when the auction calendar is produced, for example. This would make NC CAM more flexible, and we could more easily/faster react to changed market conditions.

* for example 30 min instead of 1 hour between bidding rounds and/or reduce the time of the first bidding round from 3 to 1 hour, and the subsequent ones from 1h to 30 min.

ENTSOG Proposal 2 - “Light” alternative to EFET proposal: Adjust the CAM NC auction calendar dates by postponing the annual yearly, quarterly and monthly ACA auction closer to the start of the product. Can be combined with:

- Add additional monthly auctions /
- Subsequent to ACA or by using UPA in substitution of ACA (If ACA stays, shortening rounds could also be considered (see proposal 1))

ENTSOG Proposal 3 - “Full” alternative to EFET proposal (respecting current cascading rules):

Follow the current CAM NC calendar for yearly, quarterly and monthly products but introduce additional auctions. Maintain auctioning through ACA of the annual yearly auction, then offer yearly products on a continuous* basis till the auction date of the next shortest product starts. Monthly** and quarterly products would be offered through UPA from the start and then also be offered on a continuous basis. DA and WD auctions remain the same. No changes to set-aside rules. Interruptible could also still be offered if firm capacity is not offered at all, sold out or sold with auction premium.

Footnotes:

*Continuous auctions = while there is still available capacity, sell in successive sessions – continually – after the initial ACA.

**The auctions for the monthly products cover the period of the previous longer-term product, e.g., after ending the offer of Q4, M10, M11, M12 would be offered at the same time (at ‘original’ offer date of M10).

* 1.1. Original EFET proposal: please rate the proposal from 1 to 5. How do you evaluate the proposal?

- 1: not suitable at all
- 2: somehow suitable
- 3: reasonably suitable
- 4: highly suitable
- 5: fully suitable

* 1.1.1. Please explain your perceived benefits and drawbacks with this proposal(e.g., elements you find particularly pertinent or elements you would substitute with an alternative):

1000 character(s) maximum

* 1.2. ENTSOG Proposal 1 “Shorten the bidding rounds of ACA”: please rate the proposal from 1 to 5. How do you evaluate the proposal?

- 1: not suitable at all
- 2: somehow suitable
- 3: reasonably suitable
- 4: highly suitable
- 5: fully suitable

* 1.2.1 Please explain your perceived benefits and drawbacks with this proposal (e.g., elements you find particularly pertinent or elements you would substitute with an alternative):

1000 character(s) maximum

* 1.3. ENTSOG Proposal 2 “Light” alternative to EFET proposal”: please rate the proposal from 1 to 5. How do you evaluate the proposal?

- 1: not suitable at all
- 2: somehow suitable
- 3: reasonably suitable
- 4: highly suitable
- 5: fully suitable

* 1.3.1. Please explain your perceived benefits and drawbacks with this proposal (e.g., elements you find particularly pertinent or elements you would substitute with an alternative):

1000 character(s) maximum

* 1.4. ENTSOG Proposal 3 “Full” alternative to EFET proposal: please rate the proposal from 1 to 5. How do you evaluate the proposal?

- 1: not suitable at all
- 2: somehow suitable
- 3: reasonably suitable
- 4: highly suitable
- 5: fully suitable

* 1.4.1. Please explain your perceived benefits and drawbacks with this proposal (e.g., elements you find particularly pertinent or elements you would substitute with an alternative):

1000 character(s) maximum

* 2. Overall, which proposal covers your needs in the best way:

- Original EFET proposal
- ENTSOG Proposal 1
- ENTSOG Proposal 2
- ENTSOG Proposal 3

2.1. Please comment:

500 character(s) maximum

3. Do you believe any of ENTSOG's additional proposals could optimise capacity allocation in the current market situation?

Brief introduction to ENTSOG's additional proposals (please find more detailed information in the workshop materials):

- UPA for all products from the beginning (replacing ACA), but no additional auctions
- For ACA with long duration, step out from the ACA, opening a UPA
- UPA rules: replace pay-as-clear (UPA) with single round pay-as-bid or pay-as-clear UPA with one bid
- WD auctions: first round of WD auction for 24h products to finish earlier and introduce additional WD24 after
- Options addressing request for seasonal products and additional runtimes:
 - Add auctions for remaining days of the month on a day-ahead basis
 - Auctions spanning 2 gas years

3.1. UPA for all products from the beginning (replacing ACA), but no additional auctions.

Please comment:

250 character(s) maximum

3.2. For ACA with long duration, step out from the ACA, opening a UPA.

Please comment:

250 character(s) maximum

3.3. UPA rules: replace pay-as-clear (UPA) with single round pay-as-bid or pay-as-clear UPA with one bid.

Please comment:

250 character(s) maximum

3.4. WD auctions: first round of WD auction for 24h products to finish earlier and introduce additional WD24 after.

Please comment:

250 character(s) maximum

3.5. Options addressing request for seasonal products and additional runtimes: Add auctions for remaining days of the month on a day-ahead basis.

Please comment:

250 character(s) maximum

3.6. Options addressing request for seasonal products and additional runtimes: Auctions spanning 2 gas years.

Please comment:

250 character(s) maximum

* 4. If additional auctions were to be introduced, how often should they be held?

- Rolling 24/5 (business days)
- Once per business day
- Once a week
- Once a month
- Other

4.1. Please specify if other:

* 4.2. Please explain your perceived benefits and drawbacks with the option you picked:

* 4.3. Please explain your perceived benefits and drawbacks with each of the other options:

5. What is, according to you, the most appropriate sequence of bidding rounds to organise an ACA? Bidding rounds of ACA procedures are set in Article 17(2) of CAM NC [\[CAM NC\]](#). 'Bidding round' means the period of time during which network users can submit, amend and withdraw bids (Article 3(7) of CAM NC).

	3 hours	1 hour	45 minutes	30 minutes	15 minutes
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* 5.1 Length of the initial bidding round	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.2 Length of subsequent bidding rounds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* 5.3 Waiting time between bidding rounds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.4. Please comment on your selected times

* 6. What challenges do you see in the changed supply pattern that increasingly relies on LNG imports? How could rules for capacity allocation and congestion management optimise the use of the existing transmission network to bring LNG to the markets in case of changed flow patterns (e.g. West-to-East flows replacing East-to-West flows)? Which measures (e.g. systematic use of day-ahead use-it-or-lose-it mechanism, dynamic reallocation of capacity away from unused IPs) would help to facilitate increased LNG imports? Please explain:

1000 character(s) maximum

* 7. What is the most urgent element to address in transmission capacity auctions to deal with changing flow patterns (e.g. due to LNG imports)?

- Optimise the available capacity accommodating new flow patterns
- Introducing new transmission products (other than the standard products currently defined in CAM NC)
- Introducing more frequent capacity auctions
- Other

* 7.1. Please explain:

1000 character(s) maximum

* 8. In your view/experience, what benefits have been missed due to the current allocation processes and how could additional flexibility of capacity allocation have unlocked those benefits? Please provide examples for the different products (yearly/quarterly/monthly/day-ahead/within-day products).

* 8.1. Have the missed benefits increased under the current market conditions? Please offer concrete examples and evidence:

* 9. Are there any measures related to capacity allocation that you want to bring to regulators' and TSOs' attention that can alleviate the effects of an extended and severe supply disruption? Please explain:

1000 character(s) maximum

10. If only one change was to be made to the allocation rules, what would you like it to be?

250 character(s) maximum

11. Any other comments?

Thank you!