



European Union Agency for the Cooperation  
of Energy Regulators

# ACER CAM NC scoping document: identifying areas of improvement based on ACER's policy papers

- PC\_2023\_G\_09 - Public consultation on the Capacity Allocation Mechanisms Network Code: achievements and the way forward
- ACER workshop on Capacity Allocation Mechanisms Network Code: achievements and the way forward of 12 December 2023

**Last updated: 14 November 2023**

**PUBLIC**

- The ‘areas of improvement’ are candidates for amending the CAM NC based on ACER’s ‘policy papers’ (including monitoring reports, opinions, decisions, FUNC issue solutions);
- The ‘areas of improvement’ included in this presentation are not exhaustive; editorial improvements and text clarifications throughout the CAM NC may be beneficial while they are not referenced in this overview;
- The impacts of amendment candidates on other Network Codes, Guidelines and the Transparency Annex are documented in view of their coordinated alignment whenever beneficial;
- This presentation contains proposals that have not yet been discussed in a policy paper. These proposals are marked ‘N/A’ (not applicable).

Document	Year	Link
<a href="#">FUNC 01/2020 "Greater flexibility to book firm capacity at IPs" - Issue Solution and Issue Solutions Supporting Note</a>	2023	<a href="#">Link</a>
<a href="#">ACER Special Report on addressing congestion in North-West European gas markets</a>	2023	<a href="#">Link</a>
<a href="#">ACER Report on Congestion in the EU Gas Markets and How it is Managed</a> + <a href="#">Technical Annex to Congestion Report</a>	2023	<a href="#">Link</a> <a href="#">Link</a>
<a href="#">Annual Report on the Results of Monitoring the Internal Electricity and Natural Gas Markets in 2021: Gas Wholesale Markets Volume, July 2022</a>	2022	<a href="#">Link</a>
<a href="#">JUDGMENT OF THE GENERAL COURT 16 March 2022 (*) Energy – Regulation (EU) 2017/459 – Network code adopted by the Commission including an 'incremental capacity process' – ACER decision approving the implementation of an incremental capacity project – In Joined Cases T-684/19 and T-704/19</a>	2022	<a href="#">Link</a>
<a href="#">2nd Monitoring Update on Incremental Capacity Projects - 2021</a>	2021	<a href="#">Link</a>
<a href="#">ACER Market Monitoring Report 2020 – Gas Wholesale Market</a>	2021	<a href="#">Link</a>
<a href="#">ACER Monitoring Update on Incremental Capacity Projects and Virtual Interconnection Points - 2020</a>	2020	<a href="#">Link</a>
<a href="#">FUNC 05/2019 "Allowance of overnomination in the event of capacity platform failure outside working hours"</a>	2019	<a href="#">Link</a>
<a href="#">ACER Decision 10-2019 on the Selection of a Capacity Booking Platform for the Mallnow and GCP Gas Interconnection Point (Corrigendum)</a>	2019	<a href="#">Link</a>
<a href="#">ACER Report on the Conditionalities Stipulated in Contracts for Standard Capacity Products for Firm Capacity</a> + <a href="#">Database on conditionalities</a>	2019	<a href="#">Link</a> <a href="#">Link</a>
<a href="#">FUNC 04/2019 "Auction restrictions NCG"</a>	2019	<a href="#">Link</a>
<a href="#">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</a>	2018	<a href="#">Link</a>
<a href="#">FUNC 08/2018 "TSO data reliability issues regarding technical and available capacity on their website"</a>	2018	<a href="#">Link</a>
<a href="#">FUNC 07/2018 "Capacity booking issues regarding timing and comparability of day-ahead auctions"</a>	2018	<a href="#">Link</a>
<a href="#">FUNC 04/2018 "Implementation of Virtual Interconnection Points" - Solutions note</a>	2018	<a href="#">Link</a>
<a href="#">ACER's comments on the Capacity Conversion Model created by ENTSOG pursuant to Article 21(3) of the NC CAM</a>	2017	<a href="#">Link</a>
<a href="#">Implementation Monitoring Report on the Capacity Allocation Mechanisms Network Code - 2016</a>	2016	<a href="#">Link</a>
<a href="#">ACER Bundling Progress Report 2015</a>	2015	<a href="#">Link</a>

Article		Article	
1	<u>Subject matter</u>	21	<u>Bundling in case of existing transport contracts</u>
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17	<u>Ascending clock auction algorithm</u>	37	<u>Capacity booking platforms</u>
18	<u>Uniform-price auction algorithm</u>	38	<u>Implementation and monitoring</u>
19	<u>Bundled capacity products</u>	39	<u>Repeal</u>
20	<u>Alignment of main terms and conditions for bundled capacity products</u>	40	<u>Entry into force</u>

# CAM NC Preamble

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Points 1-15

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>ACER Special Report on addressing congestion in North-West European gas markets</i></u></p>	<ul style="list-style-type: none"> <li>• To <b>maximise technical capacity</b> as well as (bundled) <b>firm capacity</b> (cf. p.15-17)</li> <li>• A further <b>strengthening of coordination</b> between <b>neighbouring system operators</b> and <b>regulatory authorities</b> is needed, for instance, by harmonising calculation methodologies (cf. p. 16)</li> </ul>	<p>yes</p>
<p>N/A</p>	<p><b>Clear recital or New article on CAM principles</b></p> <ul style="list-style-type: none"> <li>• 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.).</li> </ul>	<p>yes</p>

# CAM NC, Chapter I

# General provisions

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Articles 1-3

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



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"> <li>• Make sure <b>mechanisms of implicit allocation (IA) are consistent with the key principles of the CAM NC</b>, in particular the principle of capacity bundling.</li> <li>• 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.</li> <li>• Coordination when deciding and bundling as two key principles also for IA</li> </ul> <p>(CAM TF)</p>	yes

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

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

# CAM NC, Chapter II

# Principles of cooperation

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Articles 4-7

## Article 4 – Coordination of maintenance

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

# Article 5 – Standardisation of communication

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

# Article 6 – Capacity calculation and maximisation (1/2)

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>ACER Special Report on addressing congestion in North-West European gas markets</i></u></p>	<ul style="list-style-type: none"> <li>• “Introduce <b>the concept of ‘technical capacity’</b>, 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)</li> <li>• Time element to be considered (CAM TF)</li> </ul> <p><i>Relation with Transparency annex – publication requirement</i></p>	<p>yes*</p>
<p><u><i>ACER Special Report on addressing congestion in North-West European gas markets</i></u></p>	<ul style="list-style-type: none"> <li>• “Promote further <b>harmonisation in the offering of interruptible capacities</b> considering ‘technical capacity’;” (p. 17)</li> </ul>	<p>yes</p>

# Article 6 – Capacity calculation and maximisation (2/2)

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



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

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

# CAM NC, Chapter III

# Allocation of firm capacity

# products

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Articles 8-18

# Article 8 – Allocation methodology (1/2)

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><b>Possibly revisit the set-aside rules of points (6) and (7)</b></p> <ul style="list-style-type: none"> <li>• <i>“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“</i></li> </ul> <p><small>(Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 16)</small></p>	<p>maybe</p>

# Article 8 – Allocation methodology (2/2)

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>FUNC 04/2019 "Auction restrictions NCG"</i></u></p>	<p>Relevance to be re-assessed</p> <p><i>“Given the auction-based capacity allocation according to CAM NC at IPs and the deviating capacity allocation process at DEPs based on national law, <b>capacity cannot be allocated in a straightforward manner as competing capacities.</b> Based on that, a <b>reallocation of capacities from IP to DEP might be appropriate</b> as an interim measure for such exceptional cases, if TSOs are guided by a number of predefined criteria:</i></p> <ul style="list-style-type: none"> <li>• <i>This procedure <u>does not endanger security of supply</u> both for customers supplied via the IP or the DEP</i></li> <li>• <i>There is <u>comprehensive reasoning</u> that there is indeed <b>potential for competing demand for capacity at both IP and DEP</b> 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</i></li> <li>• <i>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</i></li> <li>• <i>The relevant network operator offering the capacity seeks <b>cost-efficient measures</b> to meet the overall capacity demand and render the re-allocation redundant.</i></li> <li>• <i>A <b>reallocation of available capacity</b> is the <b>efficient result</b> of an alignment between the involved network operators of the market areas impacted by the reallocation.</i></li> <li>• <i>The <b>highest level of transparency</b> is ensured, which involve a <b>yearly alignment meeting</b> 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.</i></li> <li>• <i>TSOs and NRAs will make their best efforts to assure that this <b>interim measure</b> lasts the <b>shortest period of time possible.</b>” (Auction Restrictions in the NCG Market Area Issue Solution Note 2020, p. 1-2)</i></li> </ul>	<p>maybe</p>

# Article 9 – Standard capacity products

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>	<ul style="list-style-type: none"> <li>• Advance booking of <b>day-ahead products</b>: Introduction of a ‘Balance-of-Month’ product [OPTION]                      (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 17)</li> </ul> <p><i>Relation with NC TAR – setting the tariff for the product</i></p>	<p>yes</p>

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

# Article 11 – Annual yearly capacity auctions

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

# Article 12 – Annual quarterly capacity auctions

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><b>Additional booking opportunities</b></p> <ul style="list-style-type: none"> <li>• Any Q firm capacity available after ACAs will be auctioned in subsequent UPAs;</li> <li>• Proposed regularity: weekly, on Thursdays (subject to change according to flexibility proposal)</li> <li>• 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>)</li> </ul> <p>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 22)</p>	<p>yes</p>



# Article 13 – Rolling monthly capacity auctions

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><b>Additional booking opportunities</b></p> <ul style="list-style-type: none"> <li>• Any M firm capacity available after ACAs will be auctioned in subsequent UPAs;</li> <li>• Proposed regularity: weekly, on Thursdays (subject to change according to flexibility proposal)</li> <li>• 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>)</li> </ul> <p>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 22)</p> <p><b>Advance booking of monthly products</b></p> <ul style="list-style-type: none"> <li>• All 3 M products within a given Q will be auctioned via ACA before start of Q, then auctioned via UPA each week</li> </ul> <p>(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)</p>	<p>Yes</p>

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><b>Advance booking of day-ahead products</b></p> <ul style="list-style-type: none"> <li>• Introduction of a ‘Balance-of-Month’ product [OPTION]                      (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 19)</li> </ul>	<p>yes</p>

# Article 14 – Rolling day-ahead capacity auctions

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><b>Advance booking of day-ahead products</b></p> <ul style="list-style-type: none"> <li>Daily offer of DA products for the following 7 days on a rolling basis until the end of the month</li> </ul> <p>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 18)</p>	<p>yes</p>

# Article 15 – Within-day capacity auctions

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>	<ul style="list-style-type: none"> <li>• Move the <b>closing of the first WD bidding round</b> (‘WD24’) <b>earlier in the day</b> (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)</li> </ul>	<p>yes</p>

# Article 16 – Auction algorithms

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><b>Additional booking opportunities</b></p> <ul style="list-style-type: none"> <li>Any Y, Q, M firm capacity available after ACAs will be auctioned in subsequent UPAs</li> </ul> <p>(cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 15)</p>	<p>yes</p>

# Article 17 – Ascending clock auction algorithm

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>More <b>efficiency</b> in the <b>ACA allocation process</b></p> <ul style="list-style-type: none"> <li>• Explicitly allow TSOs to <u>jointly decide</u> to modify the <b>level of price steps</b> 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)</li> <li>• Provide for a <b>termination rule of ACAs</b>, 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)</li> </ul>	<p>yes</p>
<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>Investigate the possibility/need of <b>introducing pro-rata rule under ACA</b></p> <ul style="list-style-type: none"> <li>• <b>“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.”</b> (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 21)</li> <li>• <b>Assess whether a pro-rata rule should be added to the ACA algorithm</b> 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)</li> </ul>	<p>maybe</p>
<p>N/A</p>	<ul style="list-style-type: none"> <li>• Assess the most efficient way of improving the efficiency of the ACA algorithm, in particular the introduction of a pro-rata allocation, in view maximization of allocated volumes and risk of price manipulation (cf. CNMC note)</li> </ul>	<p>maybe</p>

# Article 18 – Uniform-price auction algorithm

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

# CAM NC, Chapter IV

# Bundling of capacity at interconnection points

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Articles 19-21



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

# Article 20 – Alignment of main terms and conditions for bundled capacity products

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>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</i></u></p> <p>N/A</p>	<p><b>update</b> of ENTSOG’s “<i>catalogue of the main terms and conditions in the transport contract(s) of the transmission system operators for bundled capacity products.</i>” (p. 2)</p> <ul style="list-style-type: none"> <li>• “<i>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.</i>” (p. 19)</li> <li>• “<i>Moreover, the Agency draws ENTSOG’s attention on the observations formulated in the recitals of this Opinion.</i>” (p. 19)</li> </ul> <p>Ensure minimum alignment of Terms and Conditions for dealing with cancellations of bundled capacity</p>	<p>yes</p>

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"> <li>• “ENTSOG <u>does not</u> provide for a <b>harmonized conversion model</b>. 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)</li> <li>• “The Agency <u>recommends</u> that the <b>same conversion model applies at least per entry-exit zone border</b>, should several Interconnection Points connect the respective entry-exit zones.” (p. 3)</li> </ul>	<p>maybe</p>

# CAM NC, Chapter V

# Incremental capacity process

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Articles 22-31

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# Article 24 – Combination into single economic test\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# Article 25 – Publication requirements relating to the economic test\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<b>The chapter on incremental capacity should be deleted</b> 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



# Article 26 – Market demand assessment\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>2nd Monitoring Update on Incremental Capacity Projects - 2021</i></u></p>	<p><b>Frequency of process</b></p> <ul style="list-style-type: none"> <li>“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)</li> </ul> <p><b>Administrative fees</b></p> <ul style="list-style-type: none"> <li>“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)</li> </ul>	<p>maybe</p>
<p>N/A</p>	<p><b>The chapter on incremental capacity should be deleted</b> 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>maybe</p>

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# Article 28 – Approval and publication\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# Article 29 – Auctioning of incremental capacity\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	/	no
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# Article 31 – Transitional arrangements\*

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
/	<ul style="list-style-type: none"> <li>Based on the nature of the article it <u>may be redundant</u> or to be <u>updated</u></li> </ul>	yes
N/A	<p><b>The chapter on incremental capacity should be deleted</b> 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

# CAM NC, Chapter VI

# Interruptible capacity

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Articles 32-36

# Article 32 – Allocation of interruptible services

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>ACER Special Report on addressing congestion in North-West European gas markets</i></u></p>	<ul style="list-style-type: none"> <li>• “Neighbouring TSOs to extensively <u>coordinate</u> and <u>jointly maximise the availability of firm and interruptible capacities;</u>” (p. 4)</li> <li>• Bundling as key principle for offering interruptible (CAM TF)</li> </ul>	<p>yes</p>
<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><b>Alignment with proposals on</b></p> <ul style="list-style-type: none"> <li>• Additional booking opportunities</li> <li>• Advance booking of monthly products</li> <li>• Advance booking of day-ahead products (Daily offer of DA products for the following 7 days on a rolling basis until the end of the month; Introduction of a ‘Balance-of-Month’ product) (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p.14-19)</li> </ul> <p><b>Move Y, Q, M interruptible auctions from ACA to UPA</b></p> <ul style="list-style-type: none"> <li>• It “<i>should allow a quicker allocation and avoid the cases of inefficiencies of ACA under certain market conditions to effectively allocate interruptible capacity</i>” (cf. Annex 1 – Issue Solution Supporting Note Evaluation of FUNC Issue 01/2020 “Greater flexibility to book firm capacity at IPs” 2023, p. 23)</li> </ul>	<p>yes</p> <p>maybe</p>



# Article 33 – Minimum interruption lead times

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

# Article 34 – Coordination of interruption process

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

# Article 35 – Defined sequence of interruptions

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

# Article 36 – Reasons for interruptions

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

# CAM NC, Chapter VII

# Capacity booking platforms

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Articles 37

# Article 37 – Capacity booking platforms

Policy paper reference	Nature of proposal in the policy paper	Area of improvement
<p><u><i>ACER Decision 10-2019 on the Selection of a Capacity Booking Platform for the Mallnow and GCP Gas Interconnection Point (Corrigendum)</i></u></p>	<ul style="list-style-type: none"> <li>Review the <b>future involvement</b> of <b>ACER</b> in the selection process</li> </ul>	<p>maybe</p>
<p>N/A</p>	<p><b>Efficiency of the process</b></p> <ul style="list-style-type: none"> <li>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)</li> </ul>	<p>maybe</p>

# CAM NC, Chapter VIII

## Final provisions

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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><b>More flexibility</b> to adapt several CAM rules</p> <ul style="list-style-type: none"> <li>The CAM NC <u>should allow</u> several identified <b>rules</b> and <b>parameters</b> 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)</li> </ul> <p><b>regulators must be involved in any change</b> affecting the functioning of the capacity allocation mechanisms set in the regulation</p>	<p>yes</p>



# Article 38 – Implementation monitoring

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

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

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

# Thank you. Any questions?

The contents of this document do not necessarily reflect the position or opinion of the Agency.



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