

# **Public Consultation**

**on**

## **Capacity Allocation Mechanisms Network Code: achievements and the way forward (ACER CAM NC scoping document)**

**PC\_2023\_G\_09**

### **Evaluation Report**

**17 April 2024**

## **1. INTRODUCTION**

### **1.1 Background**

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 conclusions of the 37<sup>th</sup> European Gas Regulatory Forum 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’).

### **1.2 Purpose and objectives**

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 invited 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 areas of improvements based on ACER’s work on CAM. It served as the main consultation document.

### **1.3 Timeline**

ACER organised a public consultation from 14 November 2023 until 5 January 2024. In parallel, ACER held a workshop on 12 December 2023 presenting the main elements of the scoping documents and having panel discussions with representatives of ENTSOG and EFET. The workshop received 232 individual registrations, of which 165 individuals participated. They represented 42 entities active as shipper, trader or producer, 36 Transmission System Operators, 13 national regulatory authorities, and 5 capacity platforms and energy exchanges. An additional 8 associations, including ENTSOG and EFET, were represented, as well as participants from the European Commission, national governments, research institutions and think tanks, and other interest groups.

## **2. PROCESS**

All responses were reviewed per consultation question to identify key themes brought forward by the respondents. Respondents making similar comments were appropriately grouped together retaining a representative formulation of the concerned comment. Exact individual comments remain accessible in the published individual responses.<sup>1</sup>

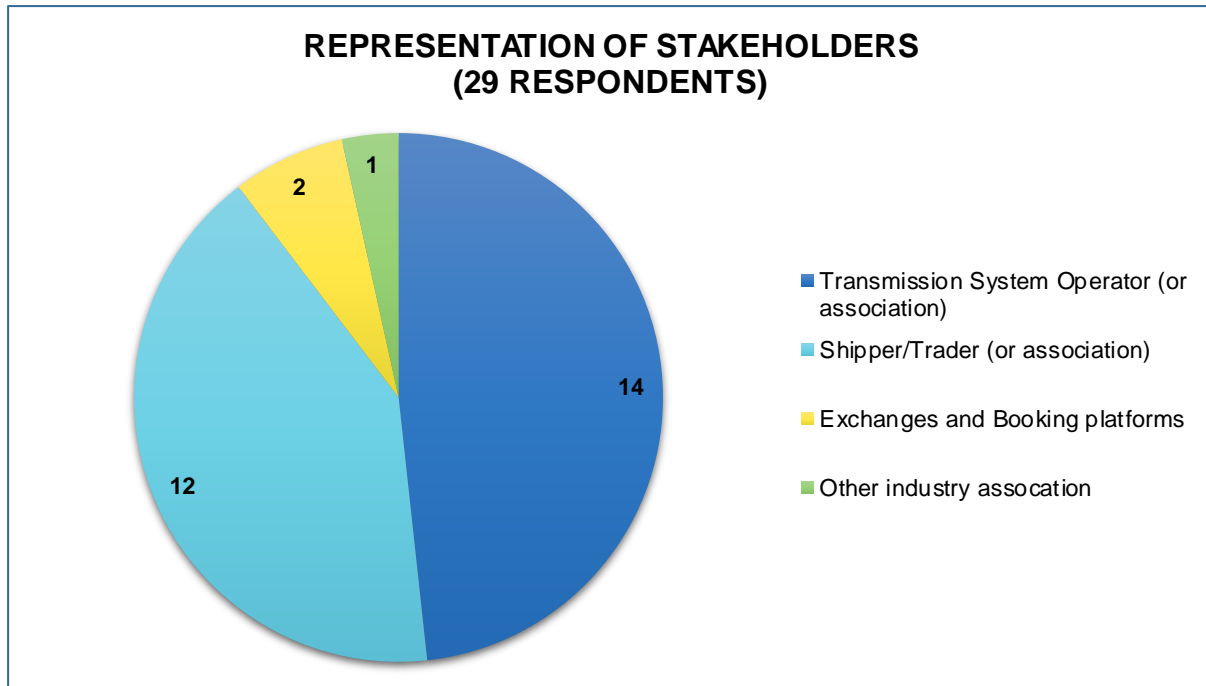
---

<sup>1</sup> <https://www.acer.europa.eu/documents/public-consultations/pc2023g09-public-consultation-capacity-allocation-mechanisms-network-code-achievements-and-way-forward>

**3. STAKEHOLDER ANSWERS**

29 stakeholders responded to the public consultation. One respondent submitted its response anonymously. One respondent marked parts of its response as confidential and provided a non-confidential version for those parts. Another respondent initially marked its response as confidential and later clarified in writing that the submitted version may be published.

The list of respondents is available in Annex I to this document.



Due to the nature of the questions, as overarching issues are touched in several CAM NC provisions, responses to one question contained in many instances comments related to areas of improvements in other articles. Such comments were moved in this report to the respective sections covering those provisions best in ACER’s view.

**3.1 Feedback on the CAM NC Preamble**

Respondents’ replies	ACER views
<b>EMPHASISE THE PRINCIPLES OF MAXIMISATION OF CAPACITY AND STRENGTHENING OF COORDINATION IN THE RECITALS</b>	
<p><b>Description of the theme/issue</b></p> <p>The recitals in the network code could be amended to emphasise more the principles of maximization of capacity and strengthening coordination between neighbouring system operators and regulatory authorities. Most stakeholders agree with the principles, while</p>	<p>ACER notes that none of the consultation responses disagree with having capacity-maximisation and coordination stated in the preamble as core objective or principle. The current CAM NC recitals may already appropriately reflect these principles in view of some respondents. ACER is of the view that the preamble could still benefit from a recital</p>

Respondents' replies	ACER views
<p>they disagree that the recitals require further amendments.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Supports a recital that reflects the goal of maximizing capacity explicitly. [ENGIE, EFET] Emphasising the need for explicit goals in the code. [ENGIE]</li> <li>• Supporting that the purpose of the CAM network code is to maximize capacity, through better coordination and transparency between neighbouring systems' operations and regulatory authorities. [EDF, Gas TSO of Ukraine, SEFE]</li> <li>• Supporting any improvement aiming at increasing the amount of technical capacity offered in auctions. [Anonymous1, Equinor, OMV]</li> <li>• Supporting that the current CAM code emphasises coordination with adjacent operators, while there is no need to harmonise maximisation methods and existing transparency measures are sufficient. [Enagás]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• Existing rules are already addressing the maximisation of capacities and coordination; a harmonised methodology for maximisation may lead to inefficiencies. [bayemets, BDEW, ENTSOG, Fluxys, Gas Network Ireland, GRTgaz-DE, Interconnector, Teréga]</li> </ul> <p><b><u>Stakeholders' suggestion/ considerations:</u></b></p> <ul style="list-style-type: none"> <li>• Maximisation is considered a positive aspect that could benefit from further clarification. [EEX]</li> </ul>	<p>emphasising the purpose of the CAM NC is to maximise the capacity offered to the market.</p> <p><b>ACER concludes that the preamble must in any case be reviewed and revised</b> in line with the confirmed and/or new principles of capacity allocation set by the agreed legislation on 'the internal markets for renewable and natural gases and for hydrogen'.</p>
<p><b>CLEAR RECITAL ON CAM PRINCIPLES</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The core principles of capacity allocation mechanism that are already applied throughout the code must be explicitly defined in the NC.</p> <p>The Gas regulation sets out as principles of capacity allocation to maximise available</p>	<p>ACER notes that most respondents see the introduction of such a recital as redundant. ACER is of the view that the preamble could still benefit from a recital on the key implementation principles that underpin the effective CAM NC provisions, including emphasising the purpose is to maximise the capacity offered to the market.</p>

Respondents' replies	ACER views
<p>capacity through transparent and non-discriminatory allocation mechanisms.</p> <p>The network code sets out detailed harmonised rules, with implementing principles: joint maximisation of capacity, bundling of capacity, cascading principle, 'set aside' rule, standard products, common auction calendar, and common auction algorithms.</p> <p>The principle of coordinated joint maximisation is dealt with in the preceding theme.</p> <p><b><u>Stakeholders' considerations/ suggestions:</u></b></p> <ul style="list-style-type: none"> <li>• EFET expressed support to include in the preamble the goal of CAM is to maximise the offer of capacity. [EFET]</li> <li>• Few responses commented on the possible improvement of adding a clear recital on the core CAM principles; those who commented took a neutral position on this area of improvement as the addition of such a recital seems redundant. [ENTSOG, Interconnector, GAZ-SYSTEM, Gas Network Ireland, Enagás]</li> <li>• According to ENTSOG and GNI, the overarching principle together with harmonisation should be to provide the market with the best possible solutions that allow for a liquid markets, free flows and transparent rules. [ENTSOG, GNI]</li> <li>• Teréga proposed as key changes to the preamble the inclusion of: 14a "enhanced allocation opportunities" and 14b "CAM shall be flexible and capable of adapting to evolving market circumstances". It is suggesting the possibility of sandboxes or voluntary offers in order to test adaptability to the market. [Teréga]</li> </ul>	<p><b>ACER concludes that the preamble must in any case be reviewed and revised</b> in line with the confirmed and/or new principles of capacity allocation set by the agreed legislation on 'the internal markets for renewable and natural gases and for hydrogen'.</p>
<p><b>OTHER POINTS OF NOTE</b></p>	
<ul style="list-style-type: none"> <li>• It is important in considering amendments to the CAM code, that any changes seek to: address clearly identified problems; propose changes that will further; facilitate cross border trade and improve market efficiency; enable enough adaptability to address evolving market needs without necessarily the need to amend European legislation. This is likely to mean less rather than more prescriptive rules. [Interconnector]</li> </ul>	<p>ACER takes note of the comment and agrees that any amendments to the CAM NC must entail improvements for the functioning of the internal market and that the rules should be flexible enough to accommodate evolving market conditions, as well as support evolving EU energy and climate policies.</p>

## 3.2 Feedback on the CAM NC Chapter I – General provisions (Articles 1-3)

### 3.2.1 CAM NC Article 1 – Subject matter

Respondents' replies	ACER views
<b>NO NEED TO MODIFY THE SUBJECT MATTER</b>	
<p><b>Description of the theme/issue</b></p> <p>Most stakeholders agreed that there is no need to modify the scope, while others considered themselves neutral. [BBL Company, EDF, EnBW, Equinor, GSA Platform, Gas TSO of Ukraine, OMV, SEFE]</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the subject matter.</p> <p><b>Out of scope</b></p>

### 3.2.2 CAM NC Article 2 – Scope

Respondents' replies	ACER views
<b>ON THE SPECIFIC ROLE OF IMPLICIT ALLOCATION (IA) AND ENSURING IA MECHANISMS ARE CONSISTENT WITH THE KEY PRINCIPLES OF THE CAM NC (Article 2(5))</b>	
<p><b>Description of the theme/issue</b></p> <p>Stakeholders commented on the specific role of, and flexibility offered by implicit allocation (IA) and the need to ensure consistency of IA mechanisms with the CAM NC principles.</p> <p><b>Stakeholders' supporting the specific role:</b></p> <ul style="list-style-type: none"> <li>• Apart from the current cases where IA is applied (Baltic States and Finland, and the merchant interconnectors – IUK and BBL-), more universal use of IA in the gas sector would bring little benefits and should not be used by regulated TSOs. [EFET]</li> <li>• Where IA is implemented, the process is satisfactory and IA provides flexibility to the market. [BDEW, Uniper, Enagás]</li> <li>• IA further facilitates cross-border trading and is highly valued by the market [Teréga, ENTSOG, Interconnector, Uniper] and it gives it flexibility. [Enagás, ENTSOG, ENGIE, EnBW]</li> <li>• The IA method is a way to maximize the use of the interconnection capacity. At the same time, it is very important to maintain the rights of capacity of the current holders of the capacity until the end of their contracts. [ENDESA]</li> <li>• The possibility for IPs where IA is applied to be excluded from CAM NC should be maintained. [EEX, SEFE]</li> </ul>	<p>ACER takes note of the support for the special role of IA mechanisms that is shared across TSO and shipper respondents.</p> <p>ACER also notes that respondents support that IA mechanisms are approved on a case-by-case basis by the concerned national regulatory authority (NRA) and that coordination with NRAs of neighbouring markets is beneficial.</p> <p><b>ACER concludes that the case-by-case NRA assessment supporting the regulatory decision not to apply specific provisions of the CAM NC as per Article 2(5) may benefit from further clarification to ensure IA mechanisms remain compatible with the internal market and the already established harmonised capacity auction mechanism.</b></p>

Respondents' replies	ACER views
<p><b><u>Stakeholders' support for ensuring the consistency with CAM principles:</u></b></p> <ul style="list-style-type: none"> <li>• NRAs must agree/approve IA mechanisms after public consultation. [Enagás, ENTSOG, Interconnector]</li> <li>• There should be an assessment before IA is in place. [VNG]</li> <li>• The capacity allocation mechanism should be analysed case by case. [bayernets, FNB Gas, GRTgaz-DE, Open Grid Europe]</li> <li>• The added value for "traditional" IPs or VIPs might be limited and could serve as a back door for not applying the CAM NC rules. [Enagás]</li> </ul> <p><b><u>Stakeholders' disagreement with changing the definition of the IA mechanism:</u></b></p> <ul style="list-style-type: none"> <li>• The proposal does not provide added value. [Fluxys, Uniper]</li> <li>• IA allows unbundled products, not perceived as a risk by users. [BBL Company]</li> <li>• IA complements CAM auctions in some cases. Bundled capacity is a tool, not an objective, and can exclude more efficient methods of marketing capacity, like IA. [Teréga]</li> <li>• The possibility to be excluded from CAM NC should be maintained. [EEX, SEFE]</li> <li>• IA methods are a rare exemption which does not justify a major adjustment. [bayernets, FNB Gas, GRTgaz-DE, Open Grid Europe]</li> </ul> <p><b><u>Stakeholders' disagreement on the specific role of implicit allocation:</u></b></p> <ul style="list-style-type: none"> <li>• The capacity allocation mechanism should be common in all EU Member States without any exemptions. [GAZ-SYSTEM]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>• BBL mentioned that the current applicable regulatory framework which includes a model of IA is working well. Changes to IA should not undermine BBL's commercial business model, while such changes might not directly impact other TSO's since they are tariff or revenue regulated. [BBL]</li> <li>• Teréga sees the IA mechanism as very promising that should remain as is in the CAM NC. It allows any TSO to propose the application of IA after coordination with adjacent TSOs and regulators (if they also</li> </ul>	

Respondents' replies	ACER views
<p>want to offer the IA service) or to consult (if they don't want to be a part of it). [Teréga]</p> <ul style="list-style-type: none"> <li>Coordinated bundling is a good solution to prevent from contractual congestion. [Anonymous1]</li> </ul>	
<p><b>OTHER POINTS OF NOTE:</b> <b>THE APPLICATION OF CAM NC TO POINTS WITH THIRD COUNTRIES</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The definition of 'interconnector' was changed to: "a transmission line which crosses or spans a border between Member States for the purpose of connecting the national transmission system of those Member States or a transmission line between a Member State and a third country up to the territory of the Member States or the territorial sea of that Member State." Several stakeholders raised that the changed definition might create uncertainty vis-à-vis the applicability of CAM NC.</p> <ul style="list-style-type: none"> <li>Article 2.1 should be amended to clearly allow exemptions to CAM principles to IPs with third countries. [Interconnector, Eni]</li> <li>Fluxys Group and Interconnector argued that given the amendment of the definition of an "Interconnector" in Directive (EU) 2019/692, the scope of interconnection points now includes points with third countries. As a result, Article 2.1 of CAM NC might need to be amended to avoid any future legal issues. The first sentence of Article 2.1 indeed reads "This Regulation shall apply to interconnection points" and could hence be mistakenly interpreted as "IP with an entry and exit point from and to a third country falls within scope of this Regulation". This is not the original idea and contradicts with the following sentence of Article 2.1, which clearly states that CAM regulation will only apply to such points subject to a decision of the relevant NRA. The proposal from Interconnector is to use this definition in the Article 2.1: "This Regulation shall apply to interconnection points connecting adjacent entry-exit systems or connecting an entry-exit system with an interconnector which crosses or spans borders between Member States (MSs). It may also apply to entry points from</li> </ul>	<p><b>ACER concludes that the scope of application must in any case be reviewed and revised in line with the amended scope of network codes set by the agreed legislation on 'the internal markets for renewable and natural gases and for hydrogen'. The decarbonisation package foresees that network codes shall apply to entry points from and exit points to third countries unless a derogation has been granted.</b></p>



Respondents' replies	ACER views
<p>and exit points to third countries, subject to the decision of the relevant national regulatory authority. [Fluxys, Interconnector]</p> <ul style="list-style-type: none"> <li>From other perspective, GAS TSO of Ukraine argued that current legislation of the EU prescribes that the EU NCs implementation on IPs between the EU MSs and Energy Community Contracting Parties (CPs) is done on voluntary basis from the side of the EU Member States, while the CPs are obliged to fulfil them. It is proposed to amend CAM NC in order to ensure reciprocity principle: "This Regulation shall apply at interconnection points and entry points from and exit points to Contracting Parties to the Treaty establishing the Energy Community if the Energy Community Secretariat and Directorate General for Energy of the European Commission confirmed that the Regulation is transposed and implemented by the respective CP and notified the NRA of respective MS thereof".</li> </ul>	

### 3.2.3 CAM NC Article 3 – Definitions

Respondents' replies	ACER views
<p><b>INTRODUCTION OF "DYNAMIC" TECHNICAL CAPACITY (REFERRING TO FLOW CAPABILITY AS OPPOSED TO FIRM CONTRACTS)</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Regarding the introduction of dynamic technical capacity, the majority of the respondents pointed out their disagreement for different reasons such as the complexity of the dynamic process and the problems that the shippers could encounter.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Maximised technical capacities can support higher level of utilization. [Anonymous1]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>A too dynamic approach for capacity calculation would be problematic for shippers' strategies and make difficult to bundle capacity. [EFET]</li> <li>The same objective might be reached by applying CMPs. [ENTSOG, GRTGaz]</li> <li>Technical capacity is already well-defined in the regulation in place. There is no need to</li> </ul>	<p>ACER takes note of respondents' view that the definition of technical capacity is set in the gas market regulation.</p> <p>ACER believes that the amendment of the definition of technical capacity is secondary to ensuring that the joint capacity maximisation methodologies, laid out in Article 6 of the CAM NC, are effective and transparent to the market on how and why situations where (sustained) flow of gas above the technical capacity occur.</p> <p>ACER furthermore believes that the internal gas market will evolve, driven by the EU's decarbonisation policies. In a context of gas-demand reduction and a potential repurposing of gas-system capacity to carry hydrogen, the maximisation and efficient use of remaining capacity of the gas system will be an important enabler of the energy transition.</p>

Respondents' replies	ACER views
<p>change it. [BDEW, Enagás, ENTSOG, Fluxys, FNB gas, Gas Networks Ireland, GAZ-SYSTEM, GRTGaz-DE, GRTGaz, Open Grid Europe]</p> <ul style="list-style-type: none"> <li>• Only transparency and clarity for interruptible offers could be improved. [Teréga]</li> <li>• Negative interaction between additional firm capacity and interruptible capacity already booked. [SEFE]</li> <li>• Dynamic model is complex (difficult to define scenarios, recalculation times, etc.). No added value or easily misleading/misinterpreted. [bayernets, Enagas, ENTSOG, FNB gas, Gas networks Ireland, GAZ-SYSTEM, GRTGaz-DE, Open Grid Europe]</li> <li>• The concept of technical capacity is more worrying, as defining a maximum capacity in a non-static way raises the risk of this capacity changing during the course of the year, making it very complex for market players to make accurate forecasts in their market strategies. [EDF]</li> </ul> <p><b>Stakeholders' considerations:</b></p> <ul style="list-style-type: none"> <li>• Higher degree of transparency and predictability in capacity offer is needed. [OMV, VNG]</li> </ul>	<p><b>ACER concludes that the CAM NC's objective of maximising capacity may be achieved without changing the definition of technical capacity. The definitions must in any case be reviewed and revised in line with the confirmed and/or amended definitions set by the agreed legislation on 'the internal markets for renewable and natural gases and for hydrogen'.</b></p>
<p><b>AUCTION CALENDAR SPANNING JULY-JUNE (~ FOLLOW THE GAS YEAR)</b></p>	
<p><b>Description of the theme/issue</b></p> <p>The respondents are mainly in favour (13) of adjusting the auction calendar span July-June without further reasoning, or neutral (14).</p> <p><b>Stakeholders' support/neutral:</b> [Teréga, bayernets, EDF, ENbW, ENDESA, ENGIE, ENTSOG, Fluxys, FNB gas, Gas networks Ireland, GAZ-SYSTEM, Open Grid Europe, EFE] [BBL, BDEW, EEX, ENI, Equinor, GRTGaz-DE, GRTGaz, GSA platform, Interconnector, Gas TSO of Ukraine, OMV, SEFE, UNIPER, VNG Handel]</p> <p><b>Stakeholders' against:</b> Enagás expressed to favour keeping the current calendar span.</p> <p><b>Stakeholders' suggestions/considerations:</b></p>	<p><b>ACER believes the definition of the auction calendar time span and publication timing is non-controversial and proposes to keep in its scope, working on a definition that incorporates flexibility aligned with the principles of EU law that foresees a certain level of guidance.</b></p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>Appreciate more flexibility but the frequency of auctions should not lead to a “back door” implementation of First Come First Served (FCFS). [Uniper]</li> </ul>	
<p><b>ON IMPLICIT ALLOCATION MECHANISMS TO CONSIDER TRANSMISSION CAPACITY ON BOTH SIDES OF THE BORDER</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>On changing the definition of ‘implicit allocation mechanism’ (IAM) to consider capacity on both sides of the border 10 respondents pointed out their disagreement. Most respondents took a neutral stance.</p> <p><b><u>Stakeholders’ support:</u></b></p> <ul style="list-style-type: none"> <li>Bundling should not apply at IPs with third countries as there would be implementation challenges. [ENI]</li> <li>Current IAM definition might serve as a back door for not applying the CAM NC rules. [Enagás, GAZ-SYSTEM]</li> </ul> <p><b><u>Stakeholders’ disagreement:</u></b></p> <ul style="list-style-type: none"> <li>The current wording in CAM fulfils its purpose and allows to consider the core principles of CAM as facilitating cross-border trade, non-discriminatory access, and improving market efficiency and competition. [ENTSO, Equinor, Fluxys, Interconnector, SEFE, UNIPER, EFET, ENGIE]</li> <li>Totally opposed to offer IA only with bundled capacity. [Teréga]</li> <li>IAM with unbundled capacity in place in BBL interconnector is working well. [BBL]</li> </ul> <p><b><u>Stakeholders’ considerations:</u></b></p> <ul style="list-style-type: none"> <li>IAM should not be applied in congested points (booking level over 90%). IA should be excluded from CAM NC. Capacity allocation mechanism should be common in all EU members without any exemption. [GAZ-SYSTEM]</li> <li>To implement IAM, a case-by-case analysis is needed [Enagás, ENTSOG, bayernets, FNB gas, GRTGaz-DE, Open Grid Europe] and NRAs should decide after consulting the market. [Enagás, ENTSOG]</li> <li>A written definition of what IA incorporates is welcome. [BDEW]</li> <li>IA definition amendment should reflect the current status, where IA is done mainly via</li> </ul>	<p>ACER reiterates its view that respondents support that IA mechanisms are approved on a case-by-case basis by the concerned national regulatory authority (NRA) and that coordination with NRAs of neighbouring markets is beneficial. Changing the definition of Article 3(6) may be of a secondary order of importance.</p> <p><b>ACER concludes that the case-by-case NRA assessment supporting the regulatory decision not to apply specific provisions of the CAM NC as per Article 2(5) may benefit from further clarification to ensure IA mechanisms remain compatible with the internal market and the principles of capacity allocation and the already established harmonised capacity auction mechanism.</b></p>

Respondents' replies	ACER views
continuous trading, "...possibly by means of an auction, or continuous trading". [EEX]	
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>New definition: 'additional auction', to allow the additional offer of yearly, quarterly, and monthly firm capacity products. [Teréga]</li> </ul>	<b>ACER takes note that concepts introduced in other parts of the CAM NC may require an appropriate definition in Article 3.</b>

### 3.3 Feedback on the CAM NC Chapter II – Principles of cooperation (Articles 4-7)

#### 3.3.1 CAM NC Article 4 – Coordination of maintenance

Respondents' replies	ACER views
<b>COORDINATION OF MAINTENANCE</b>	
<p><b>Description of the theme/issue</b></p> <p>There is general agreement with ACER's assessment not to propose amendments to this article.</p> <p><b>Stakeholders' considerations:</b></p> <ul style="list-style-type: none"> <li>Coordination of maintenance is working properly as it is. [Teréga, bayernets, ENTSOG, Fluxys, FNB gas, Gas networks Ireland, GAZ-SYSTEM, GRTGaz-DE, GRTGaz, Open Grid Europe, Uniper]</li> <li>Current process is sufficient although some improvements in the publication of severity and impact of the maintenance is needed. In particular, in the case of merchant pipelines and other significant routes impacting flows [SEFE]</li> <li>More coordination of maintenance is needed, when bundled capacity is booked [OMV]</li> </ul>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the coordination of maintenance.</p> <p><b>Out of scope</b></p>

#### 3.3.2 CAM NC Article 5 – Standardisation of communication

Respondents' replies	ACER views
<b>STANDARDIZATION OF COMMUNICATION</b>	
<p><b>Description of the theme/issue</b></p> <p>The Standardization of communication works without problems according to all stakeholders. No changes are needed.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the standardization of communication.</p> <p><b>Out of scope</b></p>

Respondents' replies	ACER views
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>EFET suggests exploring the use of open communication protocols for communication with the booking platforms that would simplify communication between the shipper and the different existing service providers, preventing a possible lock-in effect.</li> </ul>	<p><i>ACER takes note of this suggestion that covers a matter in the scope of the network code on interoperability and data exchange.</i></p>

### 3.3.3 CAM NC Article 6 – Capacity calculation and maintenance

Respondents' replies	ACER views
<b>INTRODUCING A CONCEPT OF TECHNICAL CAPACITY THAT REFERS TO FLOW CAPABILITY VIS-À-VIS MAX FIRM CAPACITY THAT CAN BE GUARANTEED IN ALL REASONABLE FLOW SCENARIOS</b>	
<p><b><u>Description of the theme/issue</u></b> Most of the respondents disagree with changing the concept “technical capacity” to cover the flow capability of the system. The concerns mainly regard the potential harm that this definition could create to the market and to the utilization of the network. Moreover, they consider that the current rules already give clear guidelines to TSOs and introducing another concept is not necessary.</p> <p><b><u>Stakeholders' considerations (neutral position):</u></b></p> <ul style="list-style-type: none"> <li>Maximised technical capacities can support higher level of utilization. [Anonymous1]</li> </ul> <p><b><u>Stakeholders' disagreement and considerations:</u></b></p> <ul style="list-style-type: none"> <li>The capacity to be offered is already calculated in the most optimal way because it is in the interest of TSOs to sell as much capacity as possible. The offer of interruptible capacity takes into account the specificities of the system. [ENTSO, Gas Networks Ireland, GRTgaz-DE, GAZ-SYSTEM]</li> <li>Dynamically establishing technical capacity might hinder market operators' ability to operate efficiently and effectively on the market. Any dynamic adjustment can provide additional benefit but rather create negative distortions and impact negatively the capacity product valuation. [EDF, SEFE]</li> <li>Unclear what happen to potential firm capacity already booked that would become</li> </ul>	<p>ACER recommended in its special report on “Addressing congestion in North-West European gas markets” that neighbouring TSOs coordinate and jointly maximise transmission capacity. While Article 6 already foresees in TSOs having joint methodologies for capacity calculation and maximisation, the transparency of these methodologies and the information availability to regulators as well as market participants must be improved. For instance, explaining why physical flow above technical capacity may occur. This would increase transparency and contribute to a better understanding of the system. Additionally, in view of the decarbonisation ambitions, the maximisation and efficient use of capacity remains important.</p> <p><b>ACER concludes that the CAM NC's objective of maximising capacity can be better achieved with more transparency on the joint (bundled) capacity maximisation methodology and considers the revision of Article 6 in scope of its CAM NC review.</b></p>

Respondents' replies	ACER views
<p>unavailable as real flows deviate from the most likely forecasted ones. Once a market player books firm capacity, that firm capacity shall always be available to the operator. [EDF]</p> <ul style="list-style-type: none"> <li>• Current rules already require TSOs to maximise the offer of capacity and coordinate and contains obligation for TSOs to publish their technical capacity and assumptions. If there are issues identified this can be addressed as an implementation issue. [Interconnector].</li> <li>• The current definition is understood in a harmonised manner. "Firm technical capacity" seems to be an over-definition. Difficult to establish a definition for "most likely flow scenario". [GAZ-SYSTEM]</li> </ul>	
<b>DYNAMIC RECALCULATION</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Some respondents see the further specification of the term "dynamic recalculation" in the CAM NC not as necessary. Especially, because TSOs should be left with flexibility regarding dynamic recalculation processes and methodologies so they can adapt it to their specific necessities.</p> <p><b><u>Stakeholders' disagreement and considerations:</u></b></p> <ul style="list-style-type: none"> <li>• The flexibility of dynamic recalculation processes and methodologies allows TSOs to optimize their offerings in the best possible way, taking into account their network characteristics, geographical situation and actual flows. [ENTSOG, Gas Network Ireland, GAZ-SYSTEM]</li> <li>• Not clear what the "dynamic recalculation" refers to: a) Maximization monthly, b) Yearly recalculation. With respect to point a): short-term events (changes of weather conditions, etc.) are already considered in the different product-types. With respect to point b): the capacity calculation is a very complex process with a lot of different input factors. It takes several months to arrive at reliable results. A higher frequency than once a year seems to be impractical. [bayernets, BDEW, FNB Gas, Open Grid Europe]</li> </ul>	<p>Dynamic recalculation is an element of the joint method for maximising capacity and more transparency on what it entails for the capacity calculation will benefit the market.</p> <p><b>ACER concludes that the CAM NC's objective of maximising capacity can be better achieved with more transparency on the joint capacity maximisation methodology and considers the revision of Article 6 in scope of its CAM NC review, aiming at the better description of the components of the calculation and their publication.</b></p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>TSOs are already maximizing the capacity they offer to the market. Harmonization would be counterproductive. Changing firm capacity levels may discourage participation in some auctions, as customers demand reliable capacities in the long term (yearly-auctions). [bayernets, BDEW, FNB Gas, Enagás, ENTSOG, Gas Network Ireland, GRTgaz, GAZ-SYSTEM, Interconnector, SEFE, Teréga]</li> </ul>	
<b>CONSIDERING THE TECHNICAL CAPACITY (FLOW CAPABILITY) OF THE SYSTEM IN THE OFFERING OF INTERRUPTIBLE CAPACITIES, AND BUNDLING THEM</b>	
<p><b>Description of the theme/issue:</b></p> <p>Most respondents are against the harmonisation in the offering of interruptible capacities considering 'technical capacity'. They pointed out the possible negative impacts on the market, it may be counterproductive and creating more negative effects than benefits.</p> <p><b>Stakeholders' support:</b></p> <ul style="list-style-type: none"> <li>Simpler bundling process for shippers. Bundling would also force TSOs to offer realistic amounts of interruptible capacity and lead to a fair premium split, instead of being awarded to the TSO which offered interruptible capacity first in an unbundled way. [Fluxys]</li> <li>Bundling of interruptible capacity is possible if agreed by all involved TSOs. [Gas Networks Ireland, Enagás, GRTgaz-DE, GAZ-SYSTEM].</li> </ul> <p><b>Stakeholders' disagreement:</b></p> <ul style="list-style-type: none"> <li>Mandatory bundling of interruptible capacity could be counterproductive and cause more distortions in market functioning than benefits. [Interconnector]</li> <li>Some TSOs offer infinite interruptible capacity. In case the offered interruptible capacity is limited by the new "technical capacity" it will harm the utilization of the network. [bayernets, FNBBGAS, GRTgaz-DE]</li> <li>The capacity to be offered is already calculated in the most optimal way because it is in the interest of TSOs to sell as much capacity as possible. The offer of interruptible capacity takes into account the</li> </ul>	<p>ACER observed occurrences of unlimited interruptible capacity being offered, and contracted, in a tight market. The auction mechanism could not play its role of allocating capacity to those with the highest willingness to pay. Market participants contracted larger amounts of capacity than they might need to ensure a larger pro-rata share of accepted nominations. Interruptible capacity plays a role in optimising the efficient use of the system; this role must be balanced with the signalling function to the market about the scarcity of (physical) capacity. More transparency on how much interruptible capacity can be offered would benefit the market in ACER's view.</p> <p>ACER observes that respondents have mixed views on bundling of interruptible capacities and point out the complexities of its implementation should it be included in the CAM NC.</p> <p><b>ACER concludes that the CAM NC's objective of maximising capacity can be better achieved with more transparency on how the offer of interruptible capacity is determined, possibly in a revision of Article 32. The possibility of bundling interruptible capacities, and interruptible capacity with unbundled firm capacity might benefit from further research on how bundling affects the value of the exit and entry legs of the bundle, on the one hand, and how the bundling may benefit market participants, on the other hand.</b></p>

Respondents' replies	ACER views
<p>specificities of the system. [ENTSOG, Gas Networks Ireland, GRTgaz-DE, GAZ-SYSTEM, Interconnector]</p> <ul style="list-style-type: none"> <li>Strongly oppose a bundling of firm and interruptible capacities, because these are different products by nature. [Uniper]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>Bundling of interruptible capacity will lead to many uncertainties (financial implication if only one TSO interrupts; seasonality could lead to different level of interruptible capacity; downgrade firm capacity to interruptible capacity as the final bundled product will also have a higher probability of interruption than the original unbundled product. [ENTSOG, Gas Networks Ireland, GRTgaz-DE, GAZ-SYSTEM, Interconnector].</li> <li>Market is more interested in firm capacity, no need to work further on interruptible. [GRTgaz]</li> <li>Not against in principle, but bundling of interruptible capacity seems complex and would potentially concern a very small amount of bundled mostly virtual capacity. The interruptible capacities are not interrupted at the same time or for the same reasons on both sides of the IP and would require the implementation of complex management rules because of the bundled sale. [Teréga]</li> </ul>	
<h2>INTEGRATE CONDITIONAL CAPACITY PRODUCTS</h2>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Integrate a set of harmonized rules for conditional products is supported just by few respondents, while the rest oppose to the integration of conditional capacity products because it is unclear how this would be effective in the CAM NC. According to some respondents it will bring additional complexity that doesn't add any benefits to the market, and because rules in place now are effective enough.</p> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>NC CAM should not define "conditional capacity" differently from the new legislation.</li> </ul>	<p>ACER notes that market participants express a preference for distinguishing between firm capacity products without any conditions, on the one hand, and other capacity products that are considered interruptible. Respondents expect little gain from integrating conditional products in the capacity calculation methodology of Article 6, while it presents an additional layer of complexity.</p> <p><b>ACER agrees the explicit integration of conditional products in the detailed CAM NC rules may not bring much additional benefit. However, where conditional products exist, like in the geographically central German gas market, they must be included</b></p>



Respondents' replies	ACER views
<p>[bayernets, ENTSOG, Fluxys, Gas Network Ireland, Open Grid Europe, GAZ-SYSTEM]</p> <ul style="list-style-type: none"> <li>• The concept of “conditional capacity products” and how it would be integrated in the capacity calculation remains unclear. As gas and capacity trading in the EU is already effective as of now, an additional set of rules seems obsolete. [EEX, Interconnector]</li> <li>• Additional layer of complexity that neither supports harmonization of rules across borders nor helps market participants to book and trade capacities they need. [EDF, EFET]</li> <li>• Gas and capacity trading in the EU is already effective, an additional set of rules seems obsolete. [EEX]</li> <li>• Conditional capacity does not grant firm access to VTP, therefore it should only be allocated on a subordinate basis if "real" firm capacity is not possible. [EnBW, VNG]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>• The capacity that cannot be treated as firm should be deemed interruptible. [EDF, Enagás, Uniper, GRTgaz-DE, Teréga, EFET]. Conditional products should not be used to solve congestions. [EFET]</li> <li>• In case of conditional products, the conditions should be clear and TSOs should be accountable for it. In any case, strong preference on having interruptible or firm products. [ENGIE]</li> <li>• TSOs have the best insight in which type of capacity they can offer under which conditionalities. Any type of conditional product needs to be offered in auctions, when such a contract is surrendered by network users. Surrender volumes of whatsoever product at a (V)IP must be offered in auctions, regardless of restrictions from national capacity models where they do not foresee “primary” auctions for such a product class anymore. [OMV]</li> </ul>	<p><b>transparently in the joint capacity maximisation exercise, and concerned TSOs must ensure transparency on how the conditionalities affect the effective capacity level that can be used by the market.</b></p>

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

Respondents' replies	ACER views
<b>EXCHANGE OF INFORMATION BETWEEN ADJACENT TSOS</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>According to the respondents the exchange of information between adjacent transmission system operators works without problems. There is no need to make any changes.</p> <ul style="list-style-type: none"> <li>No specific comment on everyday cooperation between TSOs, however there is need for a stronger cooperation and communication in terms of projects and reasoning of problems especially in the Eastern European region. [ENGIE]</li> </ul>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the exchange of information between adjacent TSOs. ACER does emphasise that the coordination between neighbouring TSOs is essential for the well-functioning of the internal market and that the current provision shall be properly implemented.</p> <p><b>Out of scope</b></p>

### 3.4 Feedback on the CAM NC Chapter III – Allocation of firm capacity products (Articles 8-18)

#### 3.4.1 CAM NC Article 8 – Allocation methodology

Respondents' replies	ACER views
<b>REASSESSMENT OF THE SET-ASIDE RULE</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Regarding the revision of the set-aside rule respondents don't have a clear preference. 10 were in favour, highlighting the necessity to revise the rule and 11 declared that no change is needed.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>The introduction of additional UPA auctions makes it necessary to revise the set-aside rule. [bayernets, GRTgaz-DE, BDEW, FNB Gas, Open Grid Europe]</li> <li>Larger amounts of short-term capacity should be set aside to better suit market needs. [ENGIE, ENDESA]</li> <li>Set-aside rules should be maintained as a default, but should not apply to auction incremental capacity, should not be applied to capacity surrendered, and should not apply where it blocks the offer and allocation of available capacity at IPs (could be solved by using a set-aside of MWh rather than of % of capacity). [OMV, EFET]</li> <li>Current rules set minimum levels that can be increased. ENTSOG further explains that there are today no structural contractual</li> </ul>	<p>ACER notes that the respondents have diverging views on revising the set-aside rule, that the flexibility that is already present in the current CAM NC to set aside capacity for offering it closer to the maturity of the products, and that there may be an unclear impact on available short term capacity by organising additional auctions as per the FUNC case on "Greater flexibility to book firm capacity at IPs".</p> <p><b>ACER believes further research on the set-aside rule, as part of improving the offering of capacity, is justified and considers it part of its revision of the CAM NC.</b></p>

Respondents' replies	ACER views
<p>congestions which the set-aside rules were aimed at tackling. [ENTSO, Gas Network Ireland, Teréga]</p> <p><b>Stakeholders' disagreement:</b></p> <ul style="list-style-type: none"> <li>• Current set-aside % are more than enough and that additional or higher % would increase market inefficiency by restricting access to capacity. [Interconnector]</li> <li>• Changes of set aside rules and increasing the set-aside part would decrease the capacities available for long term, which could result in more overbookings on the yearly auctions. [Anonymous1]</li> </ul>	
<p><b>INCLUDE PROVISIONS REGARDING REALLOCATION OF CAPACITY FROM IPS (INTERCONNECTION POINTS) TO DEPS (DOMESTIC INTERCONNECTION POINTS)</b></p>	
<p><b>Description of the theme/issue</b></p> <p>Most of the stakeholders position themselves neutral towards the necessity to include provision in CAM NC regarding the reallocation of capacity from IPs to DEPs. But other stakeholders are not in favour of integrating provisions in CAM NC on this topic.</p> <p><b>Stakeholders' support:</b></p> <ul style="list-style-type: none"> <li>• CAM NC should be amended with regards reallocation of capacity from IPs to DEPs: it should forbid this practice. [Teréga]</li> </ul> <p><b>Stakeholders' disagreement:</b></p> <ul style="list-style-type: none"> <li>• It is not a widespread issue which does not deserve being addressed in the NC. [ENGIE, EFET] and shall remain national issue tackled by NRAs. [ENTSO, Fluxys, Gas Networks Ireland]</li> </ul>	<p>ACER notes the respondents do not see the reallocation of capacity from IPs to DEPs as a matter to be covered by the CAM NC.</p> <p>ACER notes that the solution's note on the FUNC case 04/2019 provides guidance on how to handle the issue.</p> <p><b>Out of scope</b></p>

### 3.4.2 CAM NC Article 9 – Standard capacity products

Respondents' replies	ACER views
<p><b>ASSESS THE NEED AND APPROPRIATENESS OF INTRODUCING A BALANCE OF MONTH (BOM) PRODUCT (TO ENABLE BOOKING CAPACITIES MORE DAYS AHEAD)</b></p>	
<p><b>Description of the theme/issue</b></p> <p>No clear preference emerged from respondents' opinions. It seems that the ability of market participants to match commodity contracts with</p>	<p>ACER notes that should a BoM product be introduced as a distinct standard product; it must be included in this article.</p> <p><b>ACER concludes to keep the revision of Article 9 in scope as it contributes to</b></p>

Respondents' replies	ACER views
<p>corresponding capacity is overall supported. 12 respondents are in favour of being able to book DA products until the end of the month. While other 12 don't agree.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• EFET supports the ability to book daily capacities earlier in advance. A number of EFET Members have also signalled interest in Balance-of-Month capacity products. [EFET]</li> <li>• Stakeholders who prefer introducing a new standard capacity product BoM, believe a capacity BoM product that matches with the corresponding commodity product is of interest for the market, adds flexibility to the auction calendar, and to TSOs in offering capacity. [EnBW, ENI, ENGIE, Uniper, OMV Gas, Gas TSO of Ukraine]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• Auctioning earlier day-ahead products is much better than creating a BoM standard product, as it would be much easier to implement. [Teréga, Equinor, bayernets, ENTSOG, Fluxys, Gas Networks Ireland, GRTgaz-DE, BDEW, FNB Gas, VNG, Open Grid Europe]</li> <li>• No BoM product is needed at all, neither as standard product nor via advance offer of DA products: it would induce too much complexity and too costly to implement. [GRTgaz, GAZ-SYSTEM, GSA Platform, SEFE]</li> <li>• Advance sale of the capacities left for daily auctions would decrease the chance that the settlement price of the capacity represents its real value and would increase the chance of significant price differences between neighbouring virtual trading points. It would result in less available capacity for daily bookings on the days before and higher chance of contractual congestions. Shippers should make the daily booking decisions much earlier for the rest of the month which could result in overbooking and finally lower capacity utilization level. [Anonymous1]</li> </ul>	<p><b>improving the offering of capacity. A stronger engagement with more stakeholders will be considered by ACER to deepen its insight on this issue.</b></p>
<p><b>OTHER POINTS OF NOTE</b></p>	

Respondents' replies	ACER views
VNG suggested that yearly products should cover the calendar year instead of the gas year.	

### 3.4.3 CAM NC Article 10 – Applied capacity unit

Respondents' replies	ACER views
<b>APPLIED CAPACITY UNITS</b>	
<p><b>Description of the theme/issue</b> Respondents unanimously believe no reassessment or amendment of CAM NC is needed regarding applied capacity units. Provisions at IPs with 3rd country can be aligned voluntarily on a case-by-case basis, upon adjacent NRAs decisions. No disagreement on this topic.</p> <p><b>Stakeholders' considerations:</b></p> <ul style="list-style-type: none"> <li>IPs with 3rd countries there could be discrepancies that complexify exchanges (example of the IPs with Ukraine where m3 is used). [ENGIE]</li> </ul>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the applied capacity units.</p> <p><b>Out of scope</b></p>

### 3.4.4 CAM NC Articles 11 to 13 – Annual yearly capacity auctions, annual quarterly capacity auctions, and rolling monthly capacity auctions

Respondents' replies	ACER views
<b>INTRODUCTION OF ADDITIONAL ANNUAL YEARLY(ART.11), ANNUAL QUARTERLY(ART.12), AND ROLLING MONTHLY(ART.13) CAPACITY AUCTIONS (COVERING THE RECURRENT REMARKS TOGETHER)</b>	
<p><b>Description of the theme/issue</b> The gas commodity market has a different dynamic than the transmission capacity market. Organising more auctions for capacity aligns better with the continuous trading model of the commodity. Most respondents agreed that it may be appropriate to introduce additional booking opportunities for <b>annual yearly (Article 11)</b>, <b>annual quarterly (Article 12)</b>, and <b>rolling monthly (article 13)</b> capacity products, after ascending clock algorithm (ACA) auctions, using the universal price algorithm (UPA) auction. Some respondents consider the introduction of more</p>	<p>ACER notes that most respondents are in favour of introducing additional auctions to allocate remaining firm capacity.</p> <p>ACER notes the concerns on implementation, which can be further investigated as part of ACER's revision.</p> <p><b>ACER believes the introduction of additional auctions contributes to an improved offering of capacity leading to a more efficient allocation of the capacity and considers</b></p>

Respondents' replies	ACER views
<p>auction opportunities not to be necessary or to induce complexity.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Increased booking opportunities and/or enhanced flexibility as beneficial to the market. [Teréga, Equinor, Fluxys, Interconnector, VNG, EDF, EFET, Gas Network Ireland]</li> <li>• Increased revenues for TSOs [GRTgaz, EnBW]. It would in turn have beneficial effects on the level of tariffs and thus be beneficial for all market participants. [GRTgaz]</li> <li>• <a href="#">Article 11</a> Market participants will be able to secure Y capacity closer to the start of the product, at a time they have a better knowledge of their capacity needs. [EFET]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• It would increase the complexity of capacity booking decisions to a much higher level. [Anonymous1, Gas Network Ireland, GAZ-SYSTEM, GSA Platform]</li> <li>• It would result in less available capacity for short term bookings and higher chance of contractual congestions. [Anonymous1]</li> <li>• Too many auctions may offer market manipulation occasions. [GAZ-SYSTEM, GSA Platform]</li> <li>• Doubts on the appropriateness of such a proposal, especially for Y products. [bayernets, GRTgaz-DE, FNB Gas, Open Grid Europe]</li> <li>• Not see the interest of increasing the number of auctions, in particular given their system of IA, which already provides booking opportunities in a continuous way. [BBL]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>• Further analysis is needed on this subject [ENTSOG, Enagás].</li> <li>• In favour of additional booking opportunities, but believes UPA auctions is not the best option, and advocates for FCFS of any capacity left-overs after ACAs. [SEFE]</li> <li>• <a href="#">Article 12</a> and <a href="#">Article 13</a>: If additional UPA auctions were to be added, all quarters should be offered via UPA, and not only the coming one. It should also be explained that Q (and M) products should be auctioned via</li> </ul>	<p><b>Articles 11,12 and 13 to be part of its revision of the CAM NC.</b></p>

Respondents' replies	ACER views
<p>UPA from the start (and no longer using ACA). [Teréga]</p> <ul style="list-style-type: none"> <li>• <a href="#">Article 12</a> Only the coming Q should be offered via UPA. [OMV]</li> <li>• <a href="#">Article 13</a> NC should even allow for pilot projects to test alternative auction schemes. [Teréga]</li> <li>• <a href="#">Article 13</a> To allow subsequent UPA auctions to take place, the date of M ACA auctions (3rd Monday of each month) should be moved earlier in the month. [EFET]</li> </ul>	
<p><b>ON THE (WEEKLY) FREQUENCY OF ADDITIONAL UPA AUCTIONS</b></p>	
<p><b><u>Description of the theme/issue.</u></b></p> <p>Most of the respondent are in favour of a weekly regularity if additional UPAs were to be introduced, but with different proposals. On the other hand, two respondents don't agree with introducing a weekly regularity, but they propose either a daily regularity or a system of FCFS allocation once the ACA auction is over, to allocate any remaining capacity.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Weekly regularity is a reasonable consensus. [EFET]</li> <li>• Thursday would not be the most appropriate day of the week and proposes the following Monday, in order to leave enough time for ACAs to run. [Eni]</li> <li>• Not in favour of additional auctions, but the regularity should not be higher than weekly if additional auctions should be introduced. [bayernets, GRTgaz-DE, FNB Gas, Open Grid Europe]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• Daily frequency additional auctions. [Teréga]</li> <li>• <a href="#">Article 12</a> Monthly regularity for quarterly capacity products. [Uniper]</li> <li>• Weekly regularity should be reserved for products longer than a month. [BDEW]</li> <li>• System of FCFS allocation once the ACA auction is over, to allocate any remaining capacity. [SEFE]</li> </ul>	<p>ACER notes that most respondents are in favour of holding additional auctions of remaining firm capacity of Y, Q and M duration, on a weekly basis.</p> <p>ACER notes that the scheduling may best avoid being too prescriptive and should allow TSOs some flexibility in organising additional auctions as long as it is harmonised across all IPs in scope of CAM NC.</p> <p><b>ACER believes the scheduling of additional auctions shall contribute to an improved offering of capacity as long as it is harmonised across all IPs and considers this aspect of Articles 11,12 and 13 to be part of its revision of the CAM NC.</b></p>
<p><b>ONCE A PRODUCT HAS BEEN SOLD VIA UPA, IT COULD NO LONGER BE AUCTIONED USING ACA AGAIN</b></p>	

Respondents' replies	ACER views
<p><b><u>Description of the theme/issue</u></b></p> <p>Four respondents agree with the proposed rule that would prevent any product that has already been offered via additional UPA auction(s) to be offered via ACA again. [BDWE, EEX, Fluxys, EDF]. While two expressed their concerns considering this rule counterproductive and non-essential.</p> <p><b><u>Stakeholders' consideration:</u></b></p> <ul style="list-style-type: none"> <li>Both EEX and EDF support the rule provided that it applies only within a given gas year: if Y+2 is sold via ACA in July of year Y and then also allocated via UPA, it should still be possible to offer any left-over yearly capacity for Y+2 during the next yearly auction (in July of year Y+1). [EDF, EEX, Interconnector]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>This rule is not justified and restricts too much the ability to offer capacity products. Why a product offered via UPA could not be offered again via ACA at different moments during the year, there would be no disruptive effect to the market functioning. [Teréga]</li> </ul>	<p>ACER notes that the scheduling of auctions needs to balance having more flexibility to organise additional auctions with introducing more complexity. ACA and UPA each have advantages and disadvantages, like enabling price discovery or speed of the allocation process.</p> <p>ACER believes the main benefit of organising additional auctions lies in enabling the sale of remaining capacity after the current ACA auction and until the maturity of the product (or cascading the capacity into the auction of the shorter-term product); this improved offering of capacity also enables aligning better the capacity bookings with purchased short-term products, like LNG.</p> <p><b>ACER believes the scheduling of additional auctions shall contribute to an improved offering of capacity and considers this aspect of Articles 11,12 and 13 to be part of its revision of the CAM NC.</b></p>
<p><b>AUTOMATIC TERMINATION RULE FOR ACA AUCTIONS</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Two respondents [ENTSOG and Gas Network Ireland] supported the possibility of an automatic termination rule that may be needed to safeguard the launch of UPAs, if introduced. While one respondent explicitly expressed disagreement with regards the need to provide a termination rule to ACAs.</p> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>The proposal to allow for adjustment of price steps during the auction process is enough and would allow for ACAs to terminate on time for UPAs to be launched. [Teréga]</li> </ul>	<p>ACER notes that the scheduling of auctions needs to balance having more flexibility to organise additional auctions with introducing more complexity.</p> <p><b>ACER believes the scheduling of additional auctions shall contribute to an improved offering of capacity and considers this aspect of Articles 11,12 and 13 to be part of its revision of the CAM NC.</b></p>
<p><b>ON HOW TO ORGANISE ADVANCED BOOKING OF MONTHLY PRODUCTS (ART. 13)</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Monthly products are currently sold in an ACA auction in the weeks preceding the start of the</p>	<p>ACER notes that the scheduling of auctions needs to balance having more flexibility to</p>



Respondents' replies	ACER views
<p>respective month. Additional UPAs would auction any remaining capacity until the month starts.</p> <p>A different approach is to have 4 ACA auctions in which the months of the front quarter are sold, followed by UPAs for offering capacity that has not been allocated.</p> <p><b>Stakeholders' considerations:</b></p> <ul style="list-style-type: none"> <li>• Supports the option of having only 4 ACAs and as many UPA auction dates as possible (thus not in favour of keeping the current 12 monthly ACA auction dates). [Teréga]</li> <li>• The offer of M products should follow the same logic as the offer of Q products, while advocating for further analysis on this option. [EDF]</li> <li>• Very complex and would deserve further analysis. [GRTgaz-DE, FNB Gas, Open Grid Europe]</li> <li>• <b>Article 13</b> Shippers should make the monthly booking decisions much earlier for the 2nd and 3rd month which could result overbooking and finally lower capacity utilization level. [Anonymous1]</li> </ul>	<p>organise additional auctions with introducing more complexity.</p> <p><b>ACER believes the scheduling of additional auctions shall contribute to an improved offering of capacity and considers this aspect of Articles 11,12 and 13 to be part of its revision of the CAM NC.</b></p>
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>• The issue of the starting price level for UPA auctions was raised by a few respondents to this question [Teréga, ENTSOG, Gaz-SYSTEM, GSA Platform and Gas Networks Ireland]. While Teréga believes there is no issue to have different starting prices as auctions will take place at different dates, under different market conditions, EDF believes auctions should be either at the same reserve price or the highest cleared price for that auction to incentivise early bids (for monthly products), and other 4 respondents highlighted the need for a precise assessment of the starting price level.</li> <li>• <b>Article 12</b> On the detail of when Q products could be offered via UPA, OMV and the 4 German TSOs [bayernets, GRTgaz-DE, FNB Gas, Open Grid Europe] believe only the coming Q should be offered via UPA, and not the following ones.</li> </ul>	<p>ACER takes note of the suggestions and considerations formulated by the respondents, and will appreciate them later on when working on the amendments directly.</p>

### 3.4.5 CAM NC Articles 13A and 14 – Rolling balance-of-month capacity auctions (new) and Rolling day-ahead capacity auctions

Respondents' replies	ACER views
<b>ON HAVING ADVANCE AUCTIONING OF DAILY TRANSMISSION CAPACITY</b>	
<p><b>Description of the issue/theme</b></p> <p>To align better the offer of transmission capacities with the continuously traded commodity market, it may be beneficial to enable the advance auctioning of daily capacity beyond the current day-ahead auction.</p> <p>The advance auctioning of daily products could be done as a bundling of the remaining days of a month (Balance of Month, BoM) offered in a single auction, or by offering daily products up to 7 days ahead (7DA) (meaning 7 auctions offering a daily product).</p> <p><b>Supporting advance auctioning of daily transmission capacity (agree with BoM and 7DA)</b></p> <ul style="list-style-type: none"> <li>• Equinor, EnBW, ENGIE, Uniper, LLC, EDF, ENDESA, EFET.</li> <li>• To match capacity and common trading products it would be useful to have the opportunity to book capacity for the next 7 days, but a rolling auction for joint booking of daily capacity products which covers the balance-of-month period is more important. [VNG]</li> <li>• Additional products (at least BOM, Weekend, WDNW and weekly products) would be a suitable option as it would add flexibility to the auctions calendar, in addition with other measures. Stress the difficulty of having to manage 7 auctions in the same period. A system to ease the process would be necessary. [Eni]</li> <li>• Not agree with the introduction of a new standard capacity product as the BoM, however, not against the introduction of new solutions to marketing daily products. Formulates a proposal for 'BoM auction' [ENTSOG]</li> </ul> <p><b>Supporting advance auctioning of daily transmission capacity in the form of BoM (and not 7DA)</b></p> <ul style="list-style-type: none"> <li>• Teréga does not see the point of the 7DA auction but leaves it to the market to decide. The BoM seems to be better adapted to the needs of the market. [Teréga]</li> <li>• The mentioned 7-days-rolling method is an alternative to the BoM mechanism. The</li> </ul>	<p>ACER notes that the scheduling of auctions needs to balance having more flexibility to organise additional auctions with introducing more complexity.</p> <p>A BoM approach has the benefit of offering daily capacities further ahead in a single auction but offers less flexibility to build a modulated transmission portfolio. A 7DA approach offers this flexibility but increases the complexity by requiring many more auctions to run in parallel.</p> <p><b>ACER believes the advance auctioning of daily capacities shall contribute to an improved offering of capacity and considers this aspect to be part of its revision of the CAM NC.</b></p> <p><b>ACER takes note that any implementation of the advance booking of daily capacities based on a new standard product may require the alignment of tariff multipliers in the TAR NC.</b></p>

Respondents' replies	ACER views
<p>market seems not to be in favour of it, because BoM provides more booking-opportunities. [bayernets, GRTgaz-DE, FNB Gas, Open Grid Europe]</p> <ul style="list-style-type: none"> <li>Offering DA products for the following 7 days is an alternative to the Balance-of-Month mechanism (and not product). Our preference goes to the BoM, which offer more flexibility for shippers. [Fluxys]</li> <li>We do not see a particular benefit in such a product offer as it does not seem aligned with traded products. Moreover, it might reduce plannability and predictability on available DA volumes. [OMV]</li> </ul> <p><b>Supporting advance auctioning of daily transmission capacity in the form of 7DA (and not BoM)</b></p> <ul style="list-style-type: none"> <li>Not in favour of introducing a new standard product BoM but welcome the idea of offer DA products in advance that would allow market participants to be able to book BoM products. [Fluxys, Gas Networks Ireland, GRTgaz-DE, BDEW, FNB Gas, VNG, Open Grid Europe]</li> <li>See interest in short-term advance booking of DA products only to manage WE and bank holidays. [SEFE]</li> </ul> <p><b>Disagree with any form of advance auctioning of daily transmission capacity, regardless of the format ('Balance of Month' (BoM) or 7 days-ahead (7DA))</b> [GRTgaz, BBL, GAZ-SYSTEM, GSA Platform, SEFE, Gas Network Ireland and Anonymous1 express]</p> <ul style="list-style-type: none"> <li>it is too complex and costly to insert a new standard product in the CAM calendar [GRTgaz, BBL, GAZ-SYSTEM, GSA platform].</li> <li>Advance sale of the capacities would decrease the chance that the settlement price of the capacity represents its real value It would result in a higher chance of contractual congestions. Shippers may overbook capacity and finally lower (booked) capacity utilization level. [Anonymous1]</li> </ul> <p><b>Stakeholder's considerations:</b></p> <ul style="list-style-type: none"> <li><b>Technical platforms:</b> In order to handle the increased flexibility, it is essential that the technical platforms meet the required standard. [Equinor supported by Eni]</li> </ul>	

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>• Proposal by ENTSOG (supported by Gas Networks Ireland and BDEW): <b>Implementation of a “Balance of the Month Auction”</b> (NOT product) – [...], which allows an equal volume of daily standard capacity products to be booked in one UPA auction for the next gas day until the end of the month”. Benefits that the Balance of the Month Auction could give:               <ul style="list-style-type: none"> <li>- new ways of auctioning daily products in advance</li> <li>- Design does not introduce a new standard capacity product with variable duration</li> <li>- no need to make changes to other legislation “such as CMP GL, TAR NC, REMIT to avoid ambiguity on the tariff multiplier of a new variable duration capacity product, for instance” (unlike the Balance of Month product). [ENTSOG]</li> </ul> </li> <li>• Supports the opportunity to <b>“keep the shop open”</b> and provide the market with more opportunities to purchase capacity products. This can promote market efficiency as shippers have more opportunities to react to changing market needs. The CAM code should not seek to define each and every additional product or runtime but a core/base set of standard auctions and auction timings (without necessarily including prescriptive rules within CAM). Potential options would require further cost/benefit assessment. [Interconnector]</li> <li>• <b>Impact on NC TAR:</b> To implement advanced booking of day-ahead product [as BoM], a new product has to be introduced in TAR NC.” [GAZ-SYSTEM]</li> </ul>	
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>• <b>Need for compatible arrangements with third countries:</b> “We note the EFET functionality request for additional CAM flexibility recommended a voluntary approach. We believe such an approach is sensible across European IPs but essential at cross border IPs (applying CAM) with third countries. IP connections with third countries are some of the largest supply routes into the EU. This may mean proposals to increase CAM auctions/ products and other rules are not aligned with arrangements outside the EU and risk creating a barrier to trade. We</li> </ul>	<p>ACER notes that the applicability of CAM to points connecting to third countries is covered above under Article 2.</p> <p>ACER takes note of these suggestions and will appreciate them later on when working on the amendments directly.</p>

_ Respondents' replies	ACER views
<p>therefore support a voluntary, not a mandatory approach at points with third countries." [Interconnector]</p> <ul style="list-style-type: none"> <li>• <b>Auction time change DA auction: move</b> timing of DA auction to the morning: changing the time of the DA auction to the morning to facilitate trading opportunities on the commodities market. [Teréga]</li> </ul>	

### 3.4.6 CAM NC Article 15 – Within-day capacity auctions

Respondents' replies	ACER views
<p><b>MOVE THE CLOSING OF THE FIRST WITHIN-DAY (WD) BIDDING ROUND ('WD24') EARLIER IN THE DAY (FROM 1H30 D TO 21H D-1 UTC WINTER-TIME)</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The proposal is supported by 17 stakeholders because it provides shippers and TSOs with better operational management of flows and balancing. While 11 Stakeholders addressed neutrality. Only one respondent disagreed.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Provides customers and TSOs with better operational management of flows and balancing, more flexibility and extra booking opportunities. [ENTSOG, Teréga,GAZ-SYSTEM, GSA Platform, Interconnector, Anonymous1, GRTgaz, EFET, Equinor, Gas TSO of Ukraine, Fluxys, OMV]</li> </ul> <p><b><u>Stakeholders' considerations/suggestions:</u></b></p> <ul style="list-style-type: none"> <li>• Instead of moving ahead the first WD24 auction, adding additional bidding rounds for WD24. [SEFE, Eni]</li> <li>• Alignment with the trading day is needed. Closing of market time should be considered (21h is fine). [Uniper]</li> <li>• Should be assessed by the stakeholders (traders, transport-customers). The cascading principle should be respected. [bayernets, GRTgaz, FNB gas, Open Grid Europe]</li> <li>• Change must be compatible with UK arrangements (at UK Bacton IP). [Interconnector]</li> </ul>	<p>ACER notes overall support from the respondents for adjusting the timings of the within-day auction.</p> <p><b>ACER believes this operational change contributes to an improved offering of capacity and can be considered in the revision of the CAM NC.</b></p>
<p><b>OTHER POINTS OF NOTE</b></p>	

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>• <b>Additional within day auctions</b> The gap between the first and the second within day auction could be used for creating additional within day auctions. [Fluxys]</li> <li>• <b>Wider time frame for balancing</b> Some TSOs have received feedback from their users that they would need a wider time frame in order to have the opportunity to balance themselves through IPs. [ENTSOG, Gas Networks Ireland]</li> </ul>	<p>ACER takes note of these suggestions and will appreciate them later on when working on the amendments directly.</p>

### 3.4.7 CAM NC Article 16 – Auction algorithms

Respondents' replies	ACER views
<b>APPLY UPA AFTER ACA TO ENABLE ADDITIONAL BOOKING OPPORTUNITIES</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Shippers/Traders (8) and EFET are the main supporters of the proposal as it will increase booking opportunities and maximise sold/offered capacities. 4 stakeholders do not agree with the proposal for various reasons. Reasons include not seeing the need for more auctions given a commercial market model, complexity, and the risk of market manipulation.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• EFET is referring to the FUNC request: The introduction of additional booking opportunities organized as single rounds with a clearing price based on the best bids. We also reiterate our support for retaining the UPAs as pay-as-clear. [EFET]</li> <li>• Add additional auctions in the form of efficient UPAs and to limit the number of ACAs to the minimum deemed necessary by the market for price discovery. [Fluxys, Uniper, Teréga]</li> <li>• The more there will be auctions, the more chances the capacities will have to be sold (due to favourable spreads). More capacity allocated implies increased revenues for TSOs and transmission tariffs will be more competitive for shippers and gas consumers. Overall, it will benefit to the whole gas market [GRTgaz, EnBW, EDF, Gas Networks Ireland]</li> <li>• Current auction calendar is too rigid. [EnBW]</li> </ul>	<p>ACER notes that most respondents are in favour of introducing additional auctions to allocate remaining firm capacity.</p> <p>ACER notes the concerns on implementation, which can be further investigated as part of ACER's revision.</p> <p><b>ACER believes the introduction of additional auctions contributes to an improved offering of capacity and considers the application of ACA and UPA to be part of its revision of the CAM NC.</b></p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>Maximizes the opportunities for capacity to be made available on days where spreads exceed the cost of capacity. [Eni]</li> <li>If additional auctions are implemented, they should be allocated via an UPA. [Open Grid Europe, FNB, GRTgaz-DE, bayernets]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>BBL does not feel the need, given its commercial market model which includes unbundled implicitly allocated capacity for a change in this area. [BBL]</li> <li>No support for additional auctions but understanding for more opportunities to contract capacity outside CAM calendar. Supporting a first come first served approach [SEFE]</li> <li>Too many auctions and difficult rules may burden the capacity allocation process. Too many booking opportunities could lead to market manipulation and more contractual congestion. [GAZ-SYSTEM, GSA Platform, Anonymous1]</li> <li>Enormous changes to TSOs' IT systems and booking platforms, cost-benefit analysis is required to assess the real added values. It is necessary to have a firm commitment from NRAs that the cost resulting from implementing IT changes will be covered by tariff. It shall be analysed if implementation of a new, complicated system with so many auctions for the same product will lead to increase of capacity sale by the TSOs in comparison to the currently applied methods. [GAZ-SYSTEM, GSA Platform]</li> </ul> <p><b><u>Stakeholders' suggestions/considerations:</u></b></p> <ul style="list-style-type: none"> <li>Disagree with the addition of the principle of "no ACA after a UPA for the same product". (Auctions for the same product are launched on different dates so prices can differ without disrupting the market). [Teréga]</li> <li>Offering monthly products directly via daily UPAs (elimination of monthly ACAs) &amp; offering auctions every day. [Teréga]</li> <li>The offer of capacity in UPAs should be applied in a harmonised manner at IPs and should not be detrimental to the offer of firm bundled capacity. [Enagás]</li> <li>Auction types (ACA or UPA) and auction times must be easy to change using the CAM code flexibility process proposed by ACER/ENTSOG. [Teréga]</li> </ul>	

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>• Need to provide a termination rule for ACA to allow for UPA to start. Either we force all ACAs to close without allocating capacity in order to be able to start, at the same time all the new UPAs, or not. There has to be also assessment made regarding the minimum prices of additional UPA auctions. [ENTSO, Gas Networks Ireland]</li> <li>• Teréga is in favour of modifying the way publications are managed. Publications of the first ACA of a product would be unchanged, but the publication of the next auction of the same product or of the shorter-term product would take place immediately at the end of an auction, without the need for a publication schedule. [Teréga]</li> <li>• “From the Issue Solution and Issue Solution Supporting Note we identified the 3 ways of conducting auctioning of yearly, quarterly and monthly auctions:             <ol style="list-style-type: none"> <li>1. ACA auction for yearly, quarterly and monthly firm capacities (without additional UPA auctions) – the current NC CAM solution (no changes to NC CAM);</li> <li>2. Additional booking opportunities: any firm Y, firm Q and firm M capacities will be auctioned in subsequent UPA auctions after ACA auctions have finished;</li> <li>3. Additional booking opportunities: any firm Y, firm Q and firm M capacities will be auctioned in subsequent UPA auctions after ACA auctions have been terminated. The forced termination is done in time in advance to organize UPA auctions.</li> </ol> <p>Regarding the minimum prices of additional UPA auctions applicable for point 2 and point 3 above there are 2 variants:</p> <ol style="list-style-type: none"> <li>a. UPA minimum price is equal to the last price from corresponding ACA auction;</li> <li>b. UPA minimum price is equal to the tariff reserve price.</li> </ol> <p>Considering the efficiency and simplicity, the first solution is optimal in GAZ-SYSTEM's opinion, i.e. no changes to NC CAM.</p> </li> </ul>	



Respondents' replies	ACER views
<p>If it appears that the market is interested in implementing of solution in point 2 or point 3 and willing to pay for them, further cost-benefit and technical analysis is required.”</p> <p>Consideration of implementation time (approx. 2 years) and cost is required. [GAZ-SYSTEM, GSA Platform]</p>	
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>• Important to maintain the current rights of the capacity holders until the end of the contract. [ENDESA]</li> <li>• <b>Third countries:</b> Additional Y, Q, M auctions via this proposal could be permitted under a voluntary approach at cross border points with third countries to ensure compatible arrangements with third countries. [Interconnector]</li> </ul>	<p>ACER takes note of these suggestions and will appreciate them later on when working on the amendments directly.</p>

### 3.4.8 CAM NC Article 17 – Ascending clock auction algorithm

Respondents' replies	ACER views
<b>TERMINATION RULE FOR ASCENDING CLOCK AUCTION (ACA)</b>	
<p>Stakeholders have different ideas around the possibility of substituting ACA with uniform price auctions (UPA). The minority of respondents support the termination rule for ACA auctions, while the rest is against or neutral but propose alternatives.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Negative experiences of extensively long and unsuccessful ACA auctions. Possibility of replacing the ACA with the UPA for monthly or even quarterly auctions and changing price step during the ACA auction could resolve the problem of an auction that is too long. [Teréga]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• If auctions are not completed on time, there are already mechanisms in place (Art. 17 (22) NC CAM). [bayernets, GRTgaz-DE, FNB Gas]</li> </ul>	<p>ACER notes that the scheduling of auctions needs to balance having more flexibility to organise additional auctions with introducing more complexity.</p> <p>ACER notes that ACAs shall be organised efficiently, including the optimisation of the price steps and a possible termination rule.</p> <p><b>ACER believes the scheduling of additional auctions shall contribute to an improved offering of capacity and considers the scheduling of additional CAM auctions to be part of its revision of the CAM NC.</b></p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>In order to reduce the length of an auction, it is more efficient to properly define the level of large and small price steps before the auction starts, as already defined in the NC CAM. [Fluxys]</li> <li>The lack of certainty about whether an ACA auction will be concluded or not greatly reduces transparency for shippers and creates risk given they are also assessing whether to take a position (including commodity transactions). This can therefore create market inefficiencies, discourage participation and increase administrative burdens for shippers. If there is a concern about potential manipulation - other instruments (REMIT, competition law) are already available to both deter and police bidding behaviour. [Interconnector]</li> </ul> <p><b><u>Stakeholders' suggestions/considerations:</u></b></p> <ul style="list-style-type: none"> <li>ACAs are forcibly terminated at the same time without capacity being allocated, after which all additional auctions (UPAs) can start simultaneously. Or each ACA continues to run until capacity is allocated, but then the UPAs may not start at the same time. [ENTSOG]</li> <li>The solution could take the form of limiting the number of days/auction rounds or adjusting the price steps. We also note that holding ACAs and UPAs concurrently may be seen as less of a problem than running different auctions for competing products (firm versus conditional) at the same IP. [EFET]</li> <li>Limit auctions in time. More detailed impact assessment would be needed. [ENGIE]</li> <li>Only participants of ACAs - last round - can participate to UPA. [Eni]</li> <li>"1) Modification of price steps: it should intervene once per day, before the auction starts. 2) Termination rule of ACA to allow UPA to take place could be achieved by limiting the ACA to several rounds. 3) Both ACA and UPA should start from the same reserve price (regulated price)." [EDF]</li> </ul>	
<p><b>ADJUSTMENT OF PRICE STEPS IN ACA AUCTIONS</b></p>	
<p>The majority of the respondents seems to be against the adjustment of price step levels</p>	<p>ACER notes that ACAs shall be organised efficiently, including the optimisation of the price steps.</p>

Respondents' replies	ACER views
<p>between auction rounds of an ongoing auction for reasons like complexity or IT problems.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• In favour of the possibility of changing the price step during the ACA auction, which would make it possible to quickly resolve the problem of an auction that is too long and helps allocate capacity. [Teréga, Gas TSO of Ukraine, EDF, Uniper]</li> <li>• Appropriate price steps should be selected before the auction. Adjustment between the rounds possible. Exit method to bring auction to successful conclusion. UPA as last auction round. [EnBW]</li> <li>• Should only be considered on a case-by-case basis:             <ol style="list-style-type: none"> <li>a) In the case of annual or quarterly auctions of products dates far from the auction, there is sufficient time to modify the price steps.</li> <li>b) In the case of monthly auctions, a stop could be considered, but we think that the UPA launched directly in place of the ACA is more interesting.</li> <li>c) In the event that the adjustment of price steps cannot be carried out, or would not be sufficient to complete an ACA, rather than leaving the auction unsuccessful while waiting for the next product, and rather than interrupting it for a UPA on which shippers would potentially not reposition themselves, we would prefer a pro-rata solution to be studied rather than moving on to the next product." [Teréga]</li> </ol> </li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <p><b>Complexity</b></p> <ul style="list-style-type: none"> <li>• Solution is complex and requires analysis of the costs and benefits regarding its implementation. [ENTSOG]</li> <li>• Complex for TSOs and disturbing for shippers, whose strategies are defined based on a given set of data. [Fluxys]</li> <li>• Modification of price steps during the auction would make the required security levels incalculable. [Anonymous1]</li> <li>• Risks disrupting the auction.[ENTSOG, GAZ-SYSTEM, GSA-Platform, Interconnector]</li> <li>• Need a well defined-price step structure in advance. [BDEW]</li> <li>• There are possibilities/alternatives to set the price steps appropriately in advance (based on price spreads between adjacent hubs).</li> </ul>	<p>ACER notes that respondents raised concerns on the price-step adjustments in ongoing auctions in terms of predictability, IT problems and complexity.</p> <p><b>ACER believes improving the efficiency of the ACA algorithm shall contribute to an improved offering of capacity it to be part of its revision of the CAM NC.</b></p>

Respondents' replies	ACER views
<p>[ENTSOG, bayernets, GAZ-SYSTEM, GSA-Platform, GRTgaz-DE, FNB Gas, Open Grid Europe]</p> <ul style="list-style-type: none"> <li>Rules and conditions for auctions must be clear prior to its start, without any risk of arbitrary modifications. [OMV]</li> </ul> <p><b>IT-Problems</b></p> <ul style="list-style-type: none"> <li>Modifications might cause severe problems related to transparent communication to bidders, assuming that the periods between ACA rounds are relatively short. [OMV]</li> <li>Might lead to distortion across auctions between competing routes versus the initial situation. [OMV]</li> <li>Detrimental to shippers. The freedom to implement adjustment should be limited and controlled. If that is an issue then uniform price auctions could be taken as an alternative." [SEFE]</li> </ul> <p><b><u>Stakeholders' suggestions/considerations:</u></b></p> <ul style="list-style-type: none"> <li>Limiting the number of adjustments should also be considered, including down to one per day, before the start of the auctions, with advance notice to the market participants. The same would apply to solutions facilitating automated price step adjustments through dynamic algorithms, which may be overly complex to define in light of current levels of price volatility." [EFET]</li> </ul>	
<b>PRO RATA</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The majority of stakeholders disagreed with the possibility of a pro-rata rule being added to the ACA algorithm in cases of long-lasting auctioning processes and/or to reduce the risk of price manipulation.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Pro rata allocation can increase the chance of earnest bids. [Anonymous1]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>Seems to contradict the principle of willingness-to-pay. [bayernets, GRTgaz-DE, FNB Gas, ENI]</li> <li>Can force some market players to buy the capacity amount they did not want and the other market players would have less capacity they wanted. [GAZ-SYSTEM, GSA Platform, Interconnector, EnBW]</li> </ul>	<p>ACER notes that most stakeholders disagree with including a pro-rata rule to the ACA algorithm as it may have negative effects where shippers are allocated with an amount of capacity that is not matched with their business needs.</p> <p>ACER notes that UPA includes pro-rata allocation as well as measures to prevent shippers end up with capacity that is not matched with their business needs.</p> <p>ACER believes the inclusion of pro-rata allocation into the ACA may be costlier than using UPA directly to auction the capacity.</p> <p><b>Out of scope</b></p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>It requires cost and time-consuming changes in booking platforms and TSOs' IT systems. [GAZ-SYSTEM, GSA Platform]</li> <li>A pro-rata approach goes against the principle of using auctions to allocate capacity. And if there are concerns about potential manipulation – other instruments (REMIT, competition law) are already available to both deter and police bidding behaviour. [Interconnector]</li> </ul> <p><b>Stakeholders' suggestions/considerations:</b></p> <ul style="list-style-type: none"> <li>Should be decided by the market. [ENTSOG]</li> <li>If any such mechanism were to be considered, we would like to invite to at least consider fill-or-kill principles in such evaluations." [OMV]</li> <li>Pro-rata allocation may maximize bookings, but potentially lead to mismatches on transit routes / create issues for users bidding for specific quantities leading to lower utilization of the network. [EFET]</li> </ul>	
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>Joint coordination between TSOs: Is likely to be time-consuming in practice. Safeguards to prevent low final allocation of capacity. [EFET]</li> </ul>	ACER takes note of the comment.

### 3.4.9 CAM NC Article 18 – Uniform-price auction algorithm

Respondents' replies	ACER views
<b>AMENDMENTS TO UNIFORM PRICE AUCTION ALGORITHM</b>	
<p><b>Description of the theme/issue</b></p> <p>All Stakeholder state that there is no need for change. ENGIE declared that it would be simpler if interruptible capacities were auctioned only in UPA.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the details of the UPA algorithm.</p> <p><b>Out of scope</b></p>
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>"In any event, the UPA that follows an ACA, whether terminated normally or interrupted, must begin at the tariff price and not at a price derived from the last round of the previous ACA. No benefit for TSO nor for the</li> </ul>	ACER takes note of the comment.

Respondents' replies	ACER views
<p>market to begin the UPA with a (high) price that would be equal to the previous auction's last price for the same product. From our TSO point of view there would be no advantage to propose a too high price for selling the remaining capacity (our objective is to sell the remaining capacity).</p> <p>Regarding the market participant, we assume that Market participants know their needs and the price they can afford or have to bid. We think that they can have the price idea knowing the market better than TSOs and having knowledge of last prices and bids.</p> <p>If the market conditions have not changed, and if Market Participants still want capacity when the UPA is triggered, then they will put bids in accordance to the last known price and potentially higher. If they bid a lower price there is the risk for them to get no capacity. We don't see any possible market manipulation as the UPA is a single round with the final price being the clearing price for all.</p> <p>If the market conditions have changed, the TSO unsold capacity could meet no demand at a too high fixed price." [Teréga]</p>	

### 3.5 Feedback on the CAM NC Chapter IV – Bundling of capacity at interconnection points (Articles 19-21)

#### 3.5.1 CAM NC Article 19 – Bundled capacity

Respondents' replies	ACER views
<b>MAXIMIZATION OF MARKETING OF FIRM BUNDLED CAPACITY</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Most of the stakeholders express their disagreement regarding the proposal of neighbouring TSOs to jointly maximize marketing of firm bundled capacities and have allocation of unbundled firm capacities as less as possible (15). While there are a few respondents supporting it.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Any offer of bundled firm capacity at V(IP)s should be maximized. At the same time, we believe also exceeding unbundled firm</li> </ul>	<p>ACER emphasises that current Article 6 of the CAM NC already requires the firm <u>bundled</u> capacity to be maximised.</p> <p>ACER recommended in its special report on "Addressing congestion in North-West European gas markets" that neighbouring TSOs coordinate and jointly maximise transmission capacity. While Article 6 already foresees in TSOs having joint methodologies for capacity calculation and maximisation, the transparency of these methodologies and the information availability to regulators as well as market participants must be improved. For instance, explaining why physical flow above technical</p>

Respondents' replies	ACER views
<p>capacity should be offered where available. [OMV, SEFE]</p> <ul style="list-style-type: none"> <li>Maximised bundled capacities can support higher level of utilization which can improve market efficiency. [Anonymous1]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>TSOs already maximise the offer of bundled capacity. [ENTSOG]</li> <li>Against mandatory bundling of interruptible capacity. Without any improvement, mandatory bundling of interruptible capacities would hamper a well-working system optimizing capacities at borders for shippers and TSOs. [Uniper]</li> </ul> <p><b><u>Stakeholders' considerations :</u></b></p> <ul style="list-style-type: none"> <li>CAM NC should lead to maximization of network utilization. Bundling of capacities and the introduction of VIPs have, in general, been beneficial and reduced operational complexity. However, in certain cases bundling has led to lower availability of capacity and mismatches on borders. We believe that in all cases, the emphasis should be placed on maximizing the availability of capacity on offer and not on bundling of capacities or tying the IP capacity together for the sake of it. [EFET]</li> <li>Supports the maximization of the offer of bundled capacity but considers that the offer of bundled interruptible capacity should only be done on limited cases and should not be mandatory. [Enagás]</li> <li>We strongly vote to keep and/or to implement the principle to offer unbundled interruptible capacities at IPs/VIPs, even if firm capacity is not sold out. With this instrument shippers with heritage contracts at the flange have the possibility to fulfil their contractual obligations and serve Security of Supply as these contracts are bringing large volumes into the market. [Uniper]</li> </ul>	<p>capacity may occur. Additionally, in view of the decarbonisation ambitions, the maximisation and efficient use of capacity remains important.</p> <p><b>ACER concludes that the CAM NC's objective of maximising capacity can be better achieved with more transparency on the joint capacity maximisation methodology, requiring maximisation of firm bundled capacity, and considers these aspects in scope of its CAM NC review.</b></p>
<p><b>TRANSFER OF CONTRACTED CAPACITY TO VIP</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>For what concerns the ambiguity in the text of Regulation 459/2017 regarding the way of implementation of virtual interconnection points</p>	<p><b>ACER agrees that the ambiguity on the treatment of legacy contracts at IPs that were/are virtualised might be already addressed in the agreed legislation on 'the internal markets for renewable and natural</b></p>

Respondents' replies	ACER views
<p>some respondent (3) pointed out that the inclusion of a new definition in the EU Gas and hydrogen package will be enough to reduce the ambiguity. While other stakeholders (3) commented that there is no need to further requirements that could potentially also cause loss of efficiency or of firm capacity.</p> <p><b>Stakeholders' support:</b></p> <ul style="list-style-type: none"> <li>The new definition of VIPs in the EU Gas and hydrogen package (Article 5(3) Gas Regulation recast proposal) is sufficient. [GRTgaz-DE, BDEW, Open Grid Europe]</li> </ul> <p><b>Stakeholders' disagreement:</b></p> <ul style="list-style-type: none"> <li>It should be noted that the issue took place in 2018 – since then VIPs have been implemented across Europe and there does not seem to be a need to clarify art 19(9) of CAM NC anymore. [ENTSO, GAZ-SYSTEM]</li> <li>Regarding implementation of VIPs, any new (or different) requirement will most likely lead to loss of efficiency of firm capacity. [Fluxys]</li> </ul>	<p><b>gases and for hydrogen'</b>. ACER will in any case review this aspect to ensure its alignment with the confirmed and/or new provisions on virtual interconnection points set by the agreed legislation.</p>
<p><b>OTHER POINTS OF NOTE</b></p>	
<ul style="list-style-type: none"> <li>We would like to reiterate our proposition to have entities of the same group booking capacities on both sides of a given border in order not to duplicate legal entities. [ENGIE]</li> <li>Bundling of capacities at two sides of the border has also proved to be complex for capital groups where two companies controlled by the same beneficial owner were unable to bundle capacities at the border (or to make use of the respective conversion service) due to holding different shipper numbers. Such situations can have historical reasons stemming from diverging licensing requirements in different Member States, but as such should not lead to capacity stranding. It also prevents gas being traded between separate counterparties at the IP flange, which whilst atypical as most trading takes place at virtual trading points, is desirable where the counterparty does not operate in both markets due to licensing, tax and internal governance issues. [EFET]</li> <li>In any case <b>capacity conversion</b> should be applied in the best way possible and ex-post, to also allow all interested network users to</li> </ul>	<p>ACER takes notes of the comments</p>



Respondents' replies	ACER views
<p>fully participate in auctions. As a best practice example for capacity conversion, we would like to point out the procedure applied by GCA. [OMV]</p>	

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

Respondents' replies	ACER views
<b>ALIGNED TERMINATION RULES</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Stakeholders mainly disagree on ensure minimum alignment of Terms and Conditions for dealing with cancellations of bundled capacity. Only five stakeholders supported that. [OMV, Eni, VNG, ENDESA, Anonymous1]</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>If termination of only one capacity contract is possible that was concluded after the bundled allocation of capacity, network users may remain stuck with one unbundled part if there are no aligned termination rules. [OMV]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>National commercial and civil law provisions regarding termination of contracts are different and would be very difficult to harmonize. [bayernets, GRTgaz, GNI, Uniper, ENTSOG, Fluxys, Enagás, GRTgaz-DE, FNB, Open Grid Europe]</li> </ul>	<p>ACER notes from the respondents' comments that further alignment of Terms and Conditions with respect to termination rules might be hard to achieve.</p> <p>ACER emphasises that different termination rules for bundled capacity shall best be treated in interconnection agreements at least from the perspective of transparency, and a revision of CAM NC may bring few benefits.</p> <p><b>Out of scope</b></p>
<b>BETTER ALIGNMENT OF TERMS AND CONDITIONS</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Most of the stakeholders pointed out that a better alignment of terms and conditions could be beneficial.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Harmonisation of terms and conditions could support the effectiveness of the internal market [VNG].</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>ENTSOG has delivered what was possible in the environment of varying degrees of government intervention in the market, usually through powers entrusted either to</li> </ul>	<p>ACER notes from the respondents' comments that further alignment of Terms and Conditions might be beneficial but might be hard to achieve within the CAM NC.</p> <p>ACER believes that additional transparency on the Terms &amp; Conditions that apply to the exit and entry legs of bundled capacity products might be achieved through the interconnection agreements, and a revision of CAM NC may bring few benefits.</p> <p><b>Out of scope</b></p>

Respondents' replies	ACER views
<p>ministries or national regulatory authorities. [ENTSOG]</p> <ul style="list-style-type: none"> <li>Better alignment of transport terms on either side of an IP would reduce the possibility that the different legs of a bundled capacity product would be allocated differently e.g. for secondarily traded capacity under conditions of default by a primary holder. It would also allow better standardisation of capacity trading contracts that currently must reflect individual TSO access terms. [EFET]</li> <li>Harmonization to a minimum standard is neither desired nor advantageous overall [BDEW].</li> </ul> <p><b>Stakeholders' suggestions/considerations:</b></p> <ul style="list-style-type: none"> <li>We agree with EFET that while alignment of main T&amp;Cs for transport contracts could be viewed as something positive, we note that bundling will still refer to two different products and it is difficult to establish what benefit better alignment of the main provisions can bring. We are also not clear what is meant by "dealing with cancellation of bundled capacity". [ENGIE]</li> </ul>	

### 3.5.3 CAM NC Article 21 – Bundling in case of existing transport contracts

Respondents' replies	ACER views
<b>FURTHER IMPROVE THE HARMONIZED CONVERSION MODEL</b>	
<p><b>Description of the theme/issue</b></p> <p>While ENTSOG developed a harmonised conversion model, ACER noted that further improvements might be possible such as applying the same conversion model at least per entry-exit zone border, should several Interconnection Points connect the respective entry-exit zones.</p> <p><b>Stakeholders' support:</b></p> <ul style="list-style-type: none"> <li>Harmonization and swift implementation are needed wherever mismatches on certain borders in the EU exist and shippers are exposed to having to pay for the same capacity twice because the conversion mechanism, as defined or as interpreted by TSOs, does not cover such circumstances. In this context we reemphasise that:             <ul style="list-style-type: none"> <li>The conversion service should include daily capacity and be offered</li> </ul> </li> </ul>	<p>ACER notes that TSOs disagree with reviewing the harmonised conversion model, whereas EFET points out possible improvements.</p> <p><b>ACER believes further research on this aspect is justified.</b></p>

Respondents' replies	ACER views
<p>on a day-ahead (and ideally within-day) basis.</p> <ul style="list-style-type: none"> <li>○ Ex-post approach, where shippers can surrender surplus unbundled capacity following successful bidding for bundled products, is preferred.</li> <li>○ The conversion service should be available to both primary and secondary capacity holders, as well as different legal entities that are part of the same capital group (as per our answer to question 49). [EFET]</li> </ul> <ul style="list-style-type: none"> <li>● We recommend applying the conversion model used by GCA for every network point. It is operationally feasible and leaves network users with no obstacles during auctions as it is an ex-post model [OMV].</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>● No further harmonization is necessary, as there is already a harmonised conversion model provided by ENTSOG ("CAP0717-17_170724_ENTSOG_Capacity-conversion-model_final GA") since 2017. [bayemgas, ENTSOG, Fluxys, GRTgaz- DE, FNB Gas, Open Grid Europe].</li> <li>● The proposed automation appears to be already feasible through the capacity booking platforms PRISMA and RBP [BDEW].</li> </ul>	
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>● Shift of contracted IP capacity (also concluded before 2015) into contracted VIP capacity shall be enabled at first, as this is necessary for a conversion. [Uniper]</li> <li>● Both primary and secondary capacity holders should be able to utilise such conversion services. [SEFE]</li> </ul>	ACER takes note of these comments.

### 3.6 Feedback on the CAM NC Chapter V – Incremental capacity process (Articles 22-31)

#### 3.6.1 CAM NC Articles 22-31 (all together)

Respondents' replies	ACER views
<b>ON RETAINING A HARMONISED PROCESS TO DEVELOP INCREMENTAL CAPACITY</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The implementation monitoring of the completed incremental capacity processes concluded that</p>	<p>While many stakeholders agree with excluding the current incremental capacity process from the</p>

Respondents' replies	ACER views
<p>the process is burdensome and little incremental capacity has been developed. The gas decarbonisation ambitions may further reduce market interest in incremental capacity for gas transmission. For these reasons, the process might be removed from the CAM NC, or it might be simplified.</p> <p><b><u>Stakeholders' supporting deletion:</u></b></p> <ul style="list-style-type: none"> <li>• Delete it, but cross border investments to satisfy market needs should be ensured. [ENGIE, VNG, BDEW, EEX, Uniper].</li> <li>• New and more flexible procedures more similar to 'Open Seasons' should be developed to better meet the requirements to (new) infrastructure, both ready for a decarbonized energy future and for security of supply goals including optionality for individual member states to provide economic support if deemed necessary to achieve such goals. [OMV]</li> <li>• TSOs need from the market to develop new capacities, they can also do it by a lighter process at their own initiative. [GRT Gaz, Fluxys, Gas TSO of Ukraine]</li> </ul> <p><b><u>Stakeholders' disagreement with deletion:</u></b></p> <ul style="list-style-type: none"> <li>• It is helpful for both TSO's and the market and network users. [BBL Company, Anonymous 1]</li> <li>• This implies also removing the references to the deleted articles from other sections of NC CAM. It is questionable whether these articles should just be removed as they do allow for harmonised allocation of incremental capacity across multiple IPs. In addition, we note that all new capacity projects which have been developed over the last 6 years have been via alternative allocation mechanisms or via inclusion in TSOs' TYNDPs. These could persist if the incremental process is removed from the CAM NC code, hence the principles for alternative allocation mechanisms (Art 30) should be retained. [EFET]</li> <li>• Simplification of the process for giving TSOs a general framework for creating incremental capacity. [Teréga, Gas Networks Ireland, ENTSOG]</li> <li>• A rule should at least be introduced that at bookable points with greater demand than supply of capacity, the neighbouring TSOs together with the NRAs should explicitly examine possible measures to expand capacity. These would not have to be</li> </ul>	<p>Network Code, many subsequently request the introduction of a lighter procedure to develop capacity in a market-based way. ENTSOG and most TSOs strongly support retaining the process and improve it.</p> <p><b>ACER concludes that a revision of the incremental process, that takes into account expected needs for expansion of gas transmission capacity, is justified. This shall not contradict the decarbonisation targets and factor in gas reduction for unabated gas as well as build on a corroborated demand assessment.</b></p>

Respondents' replies	ACER views
<p>exclusively grid expansion measures as modelled in the NDP. Auction surcharges incurred at these points could also be used explicitly to pay for such measures. [EnbW].</p> <ul style="list-style-type: none"> <li>• Amendments are needed to make the process more flexible, simplified and less burdensome. [GAZ-SYSTEM]</li> <li>• The incremental capacity process possibly does not deserve an outright cancellation. Consider a modification that aligns with the evolving needs of the market. A more flexible approach, for example based on a more relaxed time frame or on activation only under specific conditions, could address the concerns surrounding the current frequency of the process without completely abandoning a mechanism. [EDF]</li> </ul>	
<b>OTHER POINTS OF NOTE</b>	
<p>EFET commented on all articles covered in the scoping document that references to incremental capacity should be disposed of if the incremental capacity chapter is crossed out. [EFET]</p> <p>Incremental capacity should be a voluntary mechanism left for TSOs giving a general framework for the possible procedure of creating incremental capacity [Teréga, Gas Network Ireland].</p> <p>ENTSOG, GAZ-SYSTEM S.A., Gas Networks Ireland offered specific comments (improvements) on Article 22,26,27,28,29,30:<sup>2</sup></p> <p><b>Article 22</b></p> <p>- If binding phase ends with positive economic test the investment shall be automatically included in National Ten-Year Development Plan and taken into consideration in tariff process.</p> <p><b>Article 26</b></p> <ul style="list-style-type: none"> <li>• <b>Voluntary process</b> - Demand assessment to be started on a voluntary and reciprocally agreed basis; [ENTSOG, Gas Network Ireland]</li> <li>• <b>More flexibility</b> in the timelines of the process <ul style="list-style-type: none"> <li>- TSOs should not be limited by the current timeframes or required to carry out the demand assessment process every two years, so the</li> </ul> </li> </ul>	<p>ACER takes note of these suggestions to improve the incremental capacity process and will appreciate them later on when working on the actual amendment proposals.</p>

<sup>2</sup> For Article 31 they all agree with ACER proposal.

Respondents' replies	ACER views
<p>market has the possibility to indicate demand when needed.</p> <ul style="list-style-type: none"> <li>• <b>Less administrative burden</b> - only for borders with a demand indication or showing evidence for incremental capacity, an MDAR needs to be published.</li> <li>• <b>Stronger cooperation</b> - TSOs should be obliged to share the results of the incremental capacity demand assessment with the adjacent TSO so that this TSO can take the necessary measures.</li> <li>• <b>TSOs should be allowed to impose mandatory fees</b> for all non-binding indications as part of market screening, but without the requirement of prior approval by the NRA, provided that the fees are cost reflective. Most importantly, the amount should be high enough to compensate for the TSOs' work and analysis. The fee can be refunded if the binding indication during the allocation phase is at least at the same level as that in the non-binding phase.</li> <li>• <b>Additional stage should be added</b> in the procedure in which, after publication of the market demand assessment report, market users who have submitted a non-binding demand indication should be required to confirm their demand by paying the fee set by the operator to cover the costs of further incremental process stages, in particular, those costs arising from technical analysis and labour deployment.</li> </ul> <p><b>Article 27</b></p> <p>Adjusting the timetable for the design phase, as the current 12 weeks TSOs have for internal technical analysis and development of a joint draft project proposal for consultation could be too short compared to the subsequent period needed for project finalization and NRA approval.</p> <p><b>Article 28</b></p> <p>The NRA shall have a maximum of 3 months to approve the INC project proposal, which may be extended by one month, if needed. Each TSO shall submit the project to its NRA for approval, without the requirement of coordinated decisions however providing the strong level of coordination and cooperation between NRAs before issuing their decisions.</p> <p><b>Article 29</b></p> <p>Neighbouring TSO's should be allowed to hold bundled auctions for incremental capacity</p>	

Respondents' replies	ACER views
<p>regardless of the auction calendar, if deemed appropriate and without having to apply an Alternative Allocation Mechanism.</p> <p><b>Article 30</b></p> <p>Alternative Allocation Mechanisms should be allowed not only for multi-IP projects but also for single IP projects if TSOs see benefits in such an approach and provided it is approved by NRAs (like Open Season procedure.)</p>	

### 3.7 Feedback on the CAM NC Chapter VI – Interruptible capacity (Articles 32-36)

#### 3.7.1 CAM NC Article 32 - Allocation of interruptible services

Respondents' replies	ACER views
<b>MAXIMISE THE AVAILABILITY OF INTERRUPTIBLE CAPACITIES</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>TSOs shall optimise the use of the network through maximising the offer of interruptible capacity, while considering the flow capability.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Maximising firm capacity should be prioritized. Unbundled interruptible products should be bookable as long as heritage unbundled contracts are not terminated. [VNG]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>There are no reasons for the TSO to limit the amount of interruptible capacity below the level determined by the forward physical flows. We suggest that the amended provisions on the maximization of capacity on offer include an explicit reference to such situations. In the spirit of maximization of capacity on offer, we also suggest an amendment to art. 32.1 so that it states as follows: <i>"TSO shall offer standard capacity products for interruptible capacity of a duration longer than one day whenever the corresponding monthly, quarterly or yearly standard capacity product for firm capacity was sold at an auction premium, was sold out, or was not offered. The amount of capacity to be offered shall be equal to the technical capacity."</i> [EFET]</li> </ul>	<p>ACER observed occurrences of unlimited interruptible capacity being offered, and contracted, in a tight market. The auction mechanism could not play its role of allocating capacity to those with the highest willingness to pay. Market participants contracted larger amounts of capacity than they might need to ensure a larger pro-rata share of accepted nominations. Interruptible capacity plays a role in optimising the efficient use of the system; this role must be balanced with the signalling function to the market about the scarcity of (physical) capacity. More transparency on how much interruptible capacity can be offered would benefit the market in ACER's view.</p> <p>ACER observes that respondents have mixed views on bundling of interruptible capacities and point out the complexities of its implementation should it be included in the CAM NC.</p> <p><b>ACER concludes that the CAM NC's objective of maximising capacity can be better achieved with more transparency on how the offer of interruptible capacity is determined and considers a revision of Article 32 is justified.</b></p>

Respondents' replies	ACER views
<p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>TSOs are already working together to maximize the offer of firm and interruptible capacity. [bayernets, ENTSOG]</li> </ul>	
<p><b>ON MANDATORY BUNDLING OF INTERRUPTIBLE CAPACITY</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Bundling as key principle for offering interruptible capacity is supported by stakeholders that emphasize its necessity. On the other hand, 8 respondents disagree and see it as a disadvantage and ineffective.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>The bundling principle is very important and maximization of bundled capacity and interruptible capacity should be prioritize. [EnBW, EDF]</li> <li>In favour of bundling as a key principle for offering interruptible capacity. [Fluxys]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>Considering the existing capacity mismatches at certain borders of the EU, we further note that diverging levels of interruptible capacity products on offer at either side of the border can be the only option through which a shipper can make use of the otherwise stranded capacity. [EFET]</li> <li>Regarding the bundling of interruptible capacity, the approval of all TSOs involved is necessary. A mandatory bundling of interruptible capacity does not seem to be effective due to the infinitive offer of unbundled capacity at some (V)ps. [GRTgaz-DE, FNB Gas, bayernets]</li> <li>Keep and/or to implement the principle to offer unbundled interruptible capacities at IPs/VIPs for D-1, even if firm capacity is not sold out. With this instrument shippers with heritage contracts at the flange have the possibility to fulfil their contractual obligations. For traders, it can be problematic, if not frequent, when auctions are protracted and then need to be cancelled unilaterally. In principle, the categories should be defined as firm-firm, firm-</li> </ul>	<p>ACER observes that respondents have mixed views on bundling of interruptible capacities and point out the complexities of its implementation should it be included in the CAM NC.</p> <p><b>ACER concludes that the possibility of bundling interruptible capacities might benefit from further research during ACER's revision of the CAM NC. In particular, ACER is interested to understand better how bundling affects the value of the exit and entry legs of the bundle, on the one hand, and how the bundling may benefit market participants, on the other hand</b></p>



Respondents' replies	ACER views
<p>interruptible, interruptible-interruptible. Since this would represent a transition for the TSOs, the proposal might be better framed not as mandatory, but as a mandatory evaluation. [BDEW, Uniper]</p> <ul style="list-style-type: none"> <li>No added value in the bundling of interruptible capacity and bundling would reduce the possibility to book missing capacity on one side of the border point [OMV], also consumers could be negatively affected by If there are different legacy contracts (unbundled) on one side of the border, they would not be able to supplement their portfolio with interruptible capacity. [SEFE]</li> </ul>	
<p><b>GREATER FLEXIBILITY FOR OFFER OF INTERRUPTABLE CAPACITY AND ALIGNING IT WITH MORE AUCTIONS OF FIRM CAPACITY PRODUCTS</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>The additional auctions that may be introduced for firm capacity products require an evaluation of when and how interruptible capacities can be offered.</p> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>Interruptible capacities should be marketed in the easiest way possible in UPA auctions. [EDF, ENGIE]</li> <li>The current booking opportunities for interruptible capacity is sufficient and it is necessary to ensure that interruptible capacity is only offered if the corresponding standard capacity product for firm capacity has been sold. Selling interruptible capacity before firm capacity has been sold would dissuade shippers from buying firm capacity. [Eni]</li> <li>Extensive coordination between TSOs is supported, but additional booking opportunities and more advance booking is not supported. [Anonymous1]</li> <li>Introduce the possibility to book unbundled interruptible capacities even if firm capacity is not sold out. With this instrument shippers with heritage contracts at the flange have the possibility to fulfil their contractual obligations and serve security of supply. [Uniper]</li> </ul>	<p>ACER notes that most respondents are in favour of introducing additional auctions to allocate remaining firm capacity. These additional auctions for firm capacity affect when interruptible capacity should be auctioned, in terms of scheduling and triggering (e.g. limiting it to where firm capacity has been sold out) and through which algorithm (ACA or UPA for the Y, Q, M products).</p> <p>ACER notes the concerns on implementation, which can be further investigated as part of ACER's revision.</p> <p><b>ACER believes the revision of when interruptible capacity shall be auctioned is justified and considers it to be part of its revision of the CAM NC.</b></p>

### 3.7.2 CAM NC Article 33 – Minimum interruption lead times

Respondents' replies	ACER views
<b>MINIMUM INTERRUPTION LEAD TIMES</b>	
<p><b>Description of the theme/issue</b></p> <p>From the responses almost all the stakeholders expressed their support for not changing Article 33 on minimum interruption lead times. Just Equinor, Gas Platform, ENGIE, OMV, Gas TSO of Ukraine, SEFE, EDF and EEX positioned themselves neutral.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the minimum interruption timelines.</p> <p><b>Out of scope</b></p>

### 3.7.3 CAM NC Article 34 – Coordination of interruption process

Respondents' replies	ACER views
<b>COORDINATION OF INTERRUPTION PROCESS</b>	
<p><b>Description of the theme/issue</b></p> <p>From the responses almost all the stakeholders expressed their support for not changing Article 34 on coordination of interruption process. Just Equinor, Gas Platform, ENGIE, OMV, Gas TSO of Ukraine, SEFE, EDF and EEX positioned themselves neutral.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the coordination of interruption process.</p> <p><b>Out of scope</b></p>

### 3.7.4 CAM NC Article 35 – Defined sequence of interruptions

Respondents' replies	ACER views
<b>SEQUENCE OF INTERRUPTIONS</b>	
<p><b>Description of the theme/issue</b></p> <p>From the responses almost all the stakeholders expressed their support for not changing Article 35. Just Equinor, Gas Platform, ENGIE, OMV, Gas TSO of Ukraine, SEFE, EDF and EEX positioned themselves neutral.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the sequence of interruptions.</p> <p><b>Out of scope</b></p>

### 3.7.5 CAM NC Article 36 – Reasons for interruptions

Respondents' replies	ACER views
<b>REASONS FOR INTERRUPTION</b>	

Respondents' replies	ACER views
<p><b><u>Description of the theme/issue</u></b></p> <p>From the responses almost all the stakeholders expressed their support for not changing Article 36 on reasons for interruption. Just Equinor, Gas Platform, ENGIE, OMV, Gas TSO of Ukraine, SEFE, EDF and EEX positioned themselves neutral.</p>	<p>ACER concludes that neither its review nor stakeholder remarks suggest amending the reasons for interruption.</p> <p><b>Out of scope</b></p>

### 3.8 Feedback on the CAM NC Chapter VII – Capacity booking platforms (Article 37)

Respondents' replies	ACER views
<p><b>SUPPORT FOR AN EXTENSION OF THE PERIOD OF VALIDITY OF THE DECISION</b></p>	
<p><b><u>Description of the theme/issue</u></b></p> <p>Most of the stakeholders consider themselves neutral, included TSOs, when it comes to the proposal of extending the validity time on the platform decision. Only GSA Platform and GAZ-SYSTEM made some objections towards the proposal.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>Marked their response neutral but they welcome the idea of extending the validity time of the ACER decision, providing that 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. [bayernets, GRTgaz-DE, BDEW, FNB Gas]</li> </ul> <p><b><u>Stakeholders' suggestions/considerations:</u></b></p> <ul style="list-style-type: none"> <li>It may be prolonged, but it shall not exceed 5 years. [ENGIE; GAZ-SYSTEM, GSA platform]</li> <li>Once decided the point should be on the same platform at least 5 years to allow better historical data and to facilitate bookings. [ENGIE]</li> <li>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. [bayemets, BDEW, ENGIE, FNB Gas]</li> </ul>	<p>ACER takes note of the comments. As the contracting of a joint booking platform is a commercial decision by the concerned TSOs, the extension of an administrative decision may go against the spirit of TSOs agreeing on their own on a commercial matter.</p> <p><b>ACER considers Article 37 in scope of its revision.</b></p>
<p><b>ACER FINAL DECISION MAKER</b></p>	

Respondents' replies	ACER views
<p><b><u>Description of the theme/issue</u></b></p> <p>Regarding the revision of ACER's role in the selection process, stakeholders have different views. Some stakeholders believe ACER should maintain its decision-making role as the final decision-maker.</p> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>• The role of ACER as the final decision-maker should be retained. [EnBW, BDEW, Anonymous1]</li> <li>• There is the need to explore potential improvements to the procedures on selecting the preferred service provider. Where no consensus can be found, ACER should have the final say to prevent market fragmentation stemming from the inability to coordinate between the two neighbouring Member States. [EFET]</li> <li>• The involvement of ACER in the booking platform process provided in CAM NC may be revised. However, in case of lack of TSOs agreement a harmonized decision of both NRAs is required and shall remain in the CAM NC. When NRAs are not able to reach an agreement, the Agency is competent to adopt individual decision by virtue of Art. 6 par. 10 of the Regulation (EU) 2019/942. There is and should be a competent body to take decisions in case of potential cross-border disagreements. Otherwise, in this case the market would not have a tool to book bundled capacities at IPs and CAM NC provisions could not be executed. [GAZ-SYSTEM, GSA Platform]</li> </ul> <p><b><u>Stakeholders' considerations:</u></b></p> <ul style="list-style-type: none"> <li>• It is unclear, to what extent the future involvement of ACER should be reviewed – more detailed proposals are necessary to assess and comment. [EEX]</li> </ul>	<p>The contracting of a joint booking platform is a commercial decision that can be supported by a tendering procedure, with several examples of such procedure now available.</p> <p><b>ACER considers Article 37 in scope of its revision.</b></p>
<p><b>OTHER POINTS OF NOTE</b></p>	
<ul style="list-style-type: none"> <li>• TSOs should be able to freely choose their platforms even if for shippers it would be easier to have one platform, as it would allow for competition and better quality of service. [ENGIE]</li> </ul>	<p>ACER takes note of the comments.</p>

Respondents' replies	ACER views
<ul style="list-style-type: none"> <li>• Two EU auction platforms should be enough. [Uniper]</li> <li>• Capacity products at every entry-exit-border-zone should be offered at only one booking platform. [VNG]</li> </ul>	

### 3.9 Feedback on the CAM NC Chapter VIII – Final provisions (Articles 37A-40)

#### 3.9.1 CAM NC Article 37A – Flexibility (new)

Respondents' replies	ACER views
<b>INTRODUCE A PROCEDURE TO FLEXIBLY CHANGE PARAMETERS IN SCOPE OF THE CAM NC (WITHIN THE BOUNDARIES FORESEEN IN CAM NC)</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>There is no clear preference regarding the level of flexibility required in the Capacity Allocation Mechanism Network Code. Some stakeholders' argumentations support greater flexibility, and others express concerns.</p> <p><b><u>Stakeholders' support:</u></b></p> <ul style="list-style-type: none"> <li>• Supports the creation of a faster process to adapt the CAM code implementation to market situations without modifying the code itself. [Teréga]</li> <li>• Greater flexibility in bookings particularly to balance the playing field between pipeline gas and LNG. [Equinor]</li> </ul> <p><b><u>Stakeholders' disagreement:</u></b></p> <ul style="list-style-type: none"> <li>• Expresses concern that more flexibility could come at the expense of European harmonization. [EnBW, Anonymous1]</li> <li>• Highlights the critical nature of maintaining a binding basis for transactions. [bayernets]</li> <li>• Flexibility should not compromise the principles of market stability and transparency. [GSA Platform, GAZ-SYSTEM]</li> <li>• Concerns about potential unforeseen changes resulting from too much flexibility. [BDEW]</li> <li>• Oppose a general clause for any kind of changes. [Uniper]</li> </ul>	<p>ACER emphasises that the main objective of having a flexibility procedure is to ensure that the flexibility foreseen within CAM NC is applied in a harmonised way to all interconnection points subject to the CAM NC.</p> <p>ACER, NRAs, ENTSO, and TSOs neither have a mandate, nor an intent to change the rules of the CAM NC outside of the NC amendment process foreseen in the EU legislation, and to apply different rules to the covered IPs.</p> <p><b>ACER considers more flexible (less prescriptive) rules to the benefit of the market and considers current and new provisions that make this possible in scope of its revision. Considerations will be made in line with the EU legal framework.</b></p>

Respondents' replies	ACER views
<b>STAKEHOLDERS INVOLVEMENT IN REGULATORY PROCEDURES FOR CAM CHANGES</b>	
<p><b>Description of the theme/issue</b></p> <p>Stakeholders mainly agree that both NRAs, ACER and ENTSOG must be involved in any changes affecting the functioning of the capacity allocation mechanisms set in regulations.</p> <p><b>Stakeholders' support:</b></p> <ul style="list-style-type: none"> <li>ACER, NRA, and ENTSOG jointly deciding on any changes. [bayernets, Open Grid Europe, FNB Gas]</li> <li>Advocates for a clear and defined process involving ACER, NRA, and ENTSOG. [Gas Platform]</li> </ul> <p><b>Stakeholders' disagreement:</b></p> <ul style="list-style-type: none"> <li>Concerns about potential unforeseen changes. [BDEW]</li> <li>A general clause for changes, as proposed in Article 37A, creates high (legal) uncertainty, and should be strongly rejected. The network code should only be changed following existing well-established procedures. [EEX]</li> </ul>	<p>ACER emphasises that the main objective of having a flexibility procedure is to ensure that the flexibility foreseen within CAM NC is applied in a harmonised way to all interconnection points subject to the CAM NC.</p> <p>ACER, NRAs, ENTSOG, and TSOs neither have a mandate, nor an intent to change the rules of the CAM NC outside of the NC amendment process foreseen in the EU legislation, and to apply different rules to the covered IPs.</p> <p><b>ACER considers more flexible (less prescriptive) rules to the benefit of the market and considers current and new provisions that make this flexibility possible in a harmonised way in scope of its revision. Considerations will be made in line with the EU legal framework.</b></p>
<b>OTHER POINTS OF NOTE</b>	
<ul style="list-style-type: none"> <li>Regarding flexibility, Teréga expressed a desire for dynamic and adaptive approach to market conditions. [Teréga]</li> <li>When it comes to the importance and the mechanism of the participation of stakeholders in the decision-making process regarding changes to the CAM NC, a formal procedure could be considered excessive. [Fluxys]</li> </ul>	<p>ACER takes note of the comments.</p>

### 3.9.2 CAM NC Article 38 – Implementation monitoring

Respondents' replies	ACER views
<b>MONITORING: USE OF THE REMIT DATA AND FURTHER INVESTIGATION OF CONDITIONAL PRODUCTS</b>	
<p><b>Description of the theme/issue</b></p> <p>It seems that the ACER views were supported and none of the respondents disagreed.</p>	<p>ACER takes note of the comments.</p> <p>ACER notes that REMIT data is used whenever possible but has a specific purpose and is not necessarily the best data for the implementation</p>

Respondents' replies	ACER views
<p><b><u>Stakeholders' suggestions/considerations:</u></b></p> <ul style="list-style-type: none"> <li>• Use of the REMIT Data: In case if the report will be drafted, the Agency can prepare reports based on data collected on REMIT process. [GAZ-SYSTEM]</li> <li>• EFET reminds that they do not support treating conditional capacity as firm, nor defining it as a separate product in the CAM NC (see reply to Q 21). The provision of art. 38 in this context should retain ACER's monitoring powers that ideally would lead to a harmonised approach, whereby additional conditions embedded in standard capacity contracts, would require them to be deemed interruptible. [EFET]</li> <li>• Implementation monitoring should be continued. [VNG]</li> <li>• Date mentioned in the article as an argument to discontinue [EEX, BDEW] while Anonymous 1 says it is redundant.</li> </ul>	<p>monitoring of the network codes. ACER thanks all the market actors that provide data to facilitate ACER's monitoring tasks.</p> <p><b>ACER considers no main changes to the implementation monitoring are necessary.</b></p>

### 3.9.3 CAM NC Article 39 – Repeal

Respondents' replies	ACER views
<b>REFERENCE TO FORMER REGULATION (EU) No 984/2013</b>	
<p><b><u>Description of the theme/issue:</u></b></p> <p>It was no proposal from ACER side to change Article 39 on Repeal. As it was no objections from the respondents, but GAZ-SYSTEM and GSA Platform mentioned that if CAM NC is amended again reference to former Regulation (EU) No 984/2013 shall not apply any more.</p>	<p>ACER takes note that no material comments were raised on the revision of this provision.</p>

### 3.9.4 CAM NC Article 40 – Entry into Force

Respondents' replies	ACER views
<b>ENTRY INTO FORCE</b>	
<p><b><u>Description of the theme/issue</u></b></p> <p>It was no proposal from ACER side to change the article 40 on 'Entry Into Force' and the respondents did not comment on this topic.</p>	<p>ACER takes note that no material comments were raised on the revision of this provision.</p>

### 3.10 Other comments and suggestions

Respondents' replies	ACER views
<b>COMMENT/SUGGESTION</b>	
Where appropriate "other comments" have been included under the relevant provisions within this report.	
<b>CURTAILMENT OF FIRM CAPACITY</b>	
<p><b>Equinor</b></p> <p>Equinor raised a concern regarding curtailment of firm capacity. Article 35 of the CAM NC gives some rules how curtailment of interruptible capacity should be handled by TSO's. However, for firm capacity, there is no information. This results in lack of uniformity. For example, if there is a 10% curtailment, some TSO's curtail the capacity while others curtail the nomination – to be addressed in the CAM NC.</p>	<p>ACER takes note of the comment. To increase transparency on how the curtailment of firm capacity is handled on each side of an IP, the interconnection agreement could cover this information.</p>
<b>INTRODUCTION OF FORWARD FIRM CAPACITY SWAPS ('FFCS')</b>	
<p><b>EFET</b> suggested the CAM NC could allow the introduction of optionality for shippers wishing to swap capacities booked with the same network operator in a manner that would not affect the operator's revenue level, while improving network utilization. Solutions of this sort, such as Shell-proposed introduction of new capacity product for the TAP pipeline (so-called Forward Firm Capacity Swaps - FFCS) would give shippers that have booked capacity at one exit point the option to divert all or part of their volumes to a new exit point along the route. Current mechanisms available, such as commercial reverse flows, but also access to VTP or secondary market, are not equally effective in ensuring flexibility – these are either dependent on market liquidity or non-use of capacity by primary holders. The existence of such swaps could enable additional flexibility, levelling the playing field between the market participants, with no negative impact on the revenue of the network operator.</p>	<p>ACER takes note of the comment, which aims to have greater commercial flexibility in how capacity can be booked. While the proposal only considers the TAP entry-exit system, CAM NC sets harmonised rules for all entry-exit systems.</p> <p>ACER consider at this stage that such a proposal harms the committing nature of capacity contracts, insofar as a FFCS would allow holders of capacity at a given IP/VIP within an entry-exit system to free themselves from this capacity to the benefit of capacity at another IP/VIP within the entry-exit system. ACER considers that the instruments to adjust a capacity portfolio already exist, e.g., as 'surrender' of capacity and the possibility to trade capacity on the secondary market.</p> <p><b>ACER considers the proposal to introduce capacity swaps out-of-scope for further considering amendments.</b></p>
<b>MAKING AVAILABLE SURRENDER CAPACITY</b>	
<p><b>OMV</b> invited to adjust NC CAM (or any related regulatory framework) about making available surrender capacity. Network users need to have guarantee that surrendered capacity falls back directly when it was not marketed in one specific auction. Any surrender decision by network users is a case-by-case assessment. As an example, in Germany nonmarketed yearly surrender capacity is offered cascaded down to the day-ahead products (Y-&gt;Q-&gt;M-&gt;D). <b>Such a</b></p>	<p>ACER notes that the comment addresses the Commission Guidelines on Congestion Management Procedures and is out of the CAM NC scope.</p>



Respondents' replies	ACER views
<p><b>system infringes</b> the spirit of congestion management procedures and the principle of capacity maximization in NC CAM, as it makes surrendering of capacities entirely unattractive.</p>	
<p><b>NEW EXPERT GROUP TO INCLUDE ALL VALUE CHAIN</b></p>	
<p>EEX suggested to invite experts from the industry, representing the whole value chain, to discuss and to ensure the practical feasibility of any possible changes. EEX is willing to support and contribute to further discussions, especially on spot markets.</p>	<p>ACER will do the revision of the CAM NC according to the rules foreseen in the EU legislation, including consulting the stakeholders in a transparent and non-discriminatory way. The creation of expert groups may be considered for future processes.</p>
<p><b>OTHER POINTS OF NOTE</b></p>	
<p><b>On survey questions itself 3 respondents (ENTSOG, Gaz-System and GSA platform) mentioned</b> that for some questions it was difficult to choose one conclusive 'closed' answer from the multiple-choice list because the question covered several aspects at once. It is of utmost importance to read the 'closed' answer choices together with the 'open' explanations.</p>	<p>ACER is aware that the multiple-choice response might contain partial information and focused on the responses to the open questions for its evaluation.</p>

#### 4. CONCLUSION

*ACER considers this evaluation of responses to be part of its CAM NC revision process. It will be used to identify priority topics for revision, topics for further research and topics that do not require further attention.*

*Based on the evaluation of the responses, as well as considering the discussions in the workshop of 12 December 2023, ACER considers there are three priority areas of improvement to the CAM NC: Maximising the offer of firm and interruptible capacity (mainly Articles 6, 19, 32), more flexibility in the offer of capacity (mainly Articles 8-18, Article 32, and a procedure to activate the flexibility embedded within CAM NC), and the incremental capacity procedure (Articles 22-31).*

*In addition, some aspects of the CAM NC deserve further research on their possible revision: the definition of interconnector and the applicability of CAM NC to IPs with third countries (Article 2(1)), the NRA assessment when approving implicit allocation (Article 2(5)), improving the organisation of intra-day auctions (Article 15), improvements to capacity conversion (Article 21), and improvements to the selection of the capacity booking platform (Article 37).*

*Notwithstanding the possibility of editorial improvements across the CAM NC, ACER would deem other provisions not in need of revision, at this time, based on ACER's own review and the stakeholder inputs to the consultation.*

*In its further work on the revision of the CAM NC, ACER, additionally, will ensure alignment with the agreed legislation on 'the internal markets for renewable and natural gases and for hydrogen'.*

- Annex I: List of Respondents

No.	Organisation	Country of origin	Activity	Confidential
1.	bayernets GmbH	Germany	TSO	No
2.	BBL Company	Netherlands	TSO	No
3.	BDEW - German Association of Energy and Water Industries	Germany	Association	No
4.	EDF	France	Shipper/trader	No
5.	EFET	Netherlands (Europe)	Association (shipper/trader)	No
6.	Enagás	Spain	TSO	No
7.	EnBW	Germany	Shipper/trader	No
8.	ENDESA	Spain	Shipper/trader	No
9.	ENGIE	France	Shipper/trader	No*
10.	Eni	Italy	Shipper/trader	No
11.	ENTSOG AISBL	Belgium (European Union)	Association (TSO)	No
12.	Equinor	Norway	Shipper/trader	No
13.	European Energy Exchange (EEX)	Germany	Exchange - Energy Exchange	No
14.	Fluxys Group	Belgium	TSO	No
15.	FNB Gas e.V.	Germany	Association (TSO)	No
16.	Gas Networks Ireland	Ireland	TSO	No
17.	GRTgaz	France	TSO	No
18.	GRTgaz Deutschland GmbH (GRTgaz-DE)	Germany	TSO	No
19.	GSA Platform	Poland	Exchange - capacity booking platform	No
20.	Interconnector Ltd	Belgium	TSO	No

No.	Organisation	Country of origin	Activity	Confidential
21.	Gas TSO of Ukraine	Ukraine	TSO	No
22.	OMV Gas Marketing & Trading GmbH	Austria	Shipper/trader	No
23.	Open Grid Europe GmbH	Germany	TSO	No
24.	Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. (GAZ-SYSTEM)	Poland	TSO	No
25.	SEFE	Germany	Shipper/trader	No
26.	TEREGA (Teréga)	France	TSO	No
27.	Uniper Global Commodities SE (Uniper)	Germany	Shipper/trader	Yes
28.	VNG Handel & Vertrieb GmbH (VNG)	Germany	Shipper/trader	No
29.	Anonymous1	Anonymous	Shipper/trader	No

\* ENGIE confirmed in writing the response does not contain confidential information.