**23rd meeting of the GRI Coordination Group**

5 February 2014, 11:00h to 13:00h CET

**Phone conference and online session (Adobe Connect)**

**Draft minutes**

| List of participants (in alphabetical order of organisation) |
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|  | Name | Last name | Organisation | Role |
| Mr | Dennis | HESSELING | ACER | GRI Coordinator |
| Mr | Juan | DE MIGUEL | ACER | GRI coordination |
| Ms | Clara | POLETTI | AEEGSI | CAM Roadmap coordinator & GRI Member |
| Ms | Miranda | DIANA | AEEGSI | SSE co-Lead Regulator |
| Ms | Tiziana | LO NARDO | AEEGSI | GRI Member |
| Mr | Johannes | HEIDELBERGER | BNetzA | GRI Member |
| Ms | Ana | BARRERA | CNMC | South Lead Regulator |
| Ms | Beatriz | MORENO | CNMC | South Lead Regulator |
| Ms | Petra | LINDMARK | EI | GRI Member |
| Mr | Anders  | FALK | EI | GRI Member |
| Mr | Antonio | DOMINGUES | ERSE | GRI Member |
| Ms | Sandra | FERREIRA | ERSE | GRI Member |
| Mr | Fabien | LAROCHE | OFGEM | GRI Member |
| Mr | Vasileios | PANOUSOPOULOS | RAE | GRI Member |
| Mr | Charis | TSALIKIDIS | RAE | GRI Member |
| Ms | Karolina | GOLONKA | URE | SSE co-Lead Regulator |

| Excused participants |
| --- |
|  | Name | Last name | Organisation | Role |
| Mr | Menno | VAN LIERE | ACM | GRI Member |

# Opening

The GRI Coordinator welcomed all participants and declared the meeting opened.

## **Agenda**

No comments were made on the agenda and therefore it was approved.

## **Minutes from the last meeting**

No comments were made on the minutes from the last meeting (16 December 2013) and therefore they were approved.

# Briefing on recent developments

## **Appointment of new GRI Coordinator**

Mr Hesseling was appointed as new GRI Coordinator as of 1 January 2014 by ACER Director Decision 2013-39 of 23 December 2013 on the Appointment of the Coordinator of the Gas Regional Initiative. He will replace Ms Poletti, who will continue to be coordinator of the CAM NC early implementation through the CAM Roadmap.

The new GRI Coordinator thanked the former GRI Coordinator for the work done over the last 15 months. Ms Poletti thanked the new GRI Coordinator and GRI members for their support and considered her period as GRI Coordinator as a very interesting and positive experience.

## **GRI at 34th BoR meeting (23 January)**

The GRI Coordinator reported on the development and outcome of the last BoR meeting regarding GRI. He summarised the content of the slides presented to the BoR members, which had been uploaded before this GRI meeting. The GRI Coordinator highlighted some of the points raised in that presentation, namely referring to the main priorities identified for the GRI in 2014 – continue facilitating the early implementation of the Network Codes and promoting market integration – and in particular the need to establish more precise and ambitious targets, in particular regarding the extension of the CAM NC early implementation to new interconnection points (IPs) across the EU.

## **Latest developments in the three GRI regions**

The GRI Coordinator asked the Lead NRAs of the SSE and South regions and the NRAs from the NW region present at the meeting to report on the most relevant recent developments in their respective regions since the last meeting, with special attention to the following points:

## **Update on leadership of NW region**

The Agency has approached a number of NRAs from the NW region in order to check their interest in potentially leading the work in the region. None of them volunteered to do it so far. The list of NRAs approached has not been exhausted yet, but the number of NRAs left to be approached is decreasing.

The GRI Coordinator asked the NRAs from the NW region present at the meeting (BNetzA, OFGEM and EI) whether they would be interested to take any leading role. The three regulators replied that they had been discussing internally about this possibility but none of them declared to be in the position of taking up the role of Lead NRA in the region.

The GRI Coordinator will go on discussing with the remaining NRAs and will report back on the outcome to the BoR.

The GRI Coordinator asked the NW NRAs whether they could brief the GRI members on recent developments in the region. It was reported that ACM had made a survey in order to identify the upcoming priorities for the region, but the results were not available yet. More information will be sought directly from ACM.

## **Update on debate about composition of SSE region**

AEEGSI informed that the two SSE co-Lead NRAs had started the process for assessing the geographical composition of the SSE region. Initially, the discussion about the possible split of the region will be kept at regulatory level; if NRAs reach a common position on the above subject, a proposal will be presented to stakeholders for consultation. In order to collect opinions from fellow NRAs, co-Lead NRAs sent a set of questions on 23 January asking for comments by 14 February. The topics for analysis include the right geographical configuration as well as the criteria that should determine it. The final target is making a concrete proposal to ACER and the EC by the end of 2014.

## **Update on SSE market integration projects (CEETR and V4 Roadmap)**

URE informed that a Gas Forum meeting was held in Budapest on 23 January where the status of these projects was discussed. In addition, representatives the EC (DG ENER) organised a round of meetings with the involved NRAs by the end of January.

The status of these initiatives is that the CEETR project is currently suspended, due to lack of support and participation from some involved parties, while the V4 Roadmap project seems to have reoriented its priorities and is now focused on the analysis and implementation of the existing and upcoming rules from the Network Codes, rather than on market integration, next to infrastructure investment. This confirms the information that had been provided by the project parties at the last SG meeting in the SSE region in December.

The GRI Coordinator pointed out that the Agency sees market integration as an important driver to be taken into account in the debate for analysing the rearrangement of the SSE region.

The GRI Coordinator also reported that the Expert Group on Rules for Trading (RfT) and the EC study on Entry-Exit zones had identified issues regarding licensing conditions, and given that they are not deemed to be a problem of EU-wide dimension, they were proposed to be dealt with at regional level, in particular in the SSE region. The SSE co-Lead NRAs agreed to check if there is room for dealing with the above issue at regional level. More background information will be sought from the experts involved in the RfT group.

Finally, CNMC gave an update on the **South region** activities. An IG meeting took place on 23 January, entirely focused on CAM. NRAs and TSOs discussed the capacity values that will be offered in the auctions and the amendments needed in the capacity contracts in order to bring them to the virtual interconnection points (VIP). Two training sessions were organised by PRISMA in Spain and Portugal in January 2014 for information to shippers.

The GRIP status was also discussed at the referred IG meeting. TSOs submitted it to public consultation, but not much feedback was received. The dates for the meetings in the region for the first half of 2014 were scheduled.

CNMC provided some information regarding the MIBGAS project, which appeared as a potential priority for the region in the GRI presentation to the BoR in January. For the time being, the harmonisation of CAM and the alignment of some interoperability and balancing features necessary for a full CAM NC implementation have been identified as the main priority, which needs to be addressed before further advancing in market integration. It was reported that the study of the different options for the implementation of the Gas Target Model in the Iberian Peninsula is still work in progress and has not yet been concluded by Spanish and Portuguese regulators.

# Early implementation of Network Codes

## **CAM: update on recent developments (meeting with PRISMA on 30 January) and progress in CAM pilot projects**

The CAM Roadmap coordinator indicated that they are currently in the interim period between the last and the next updates of CAM Roadmap. The governance arrangements are currently being assessed, in light of the new groups proposed by PRISMA, with a view to look for a smooth coordination and avoiding duplicated structures. A meeting with PRISMA took place in Ljubljana on 30 January. Next to the governance, PRISMA also provided updated information about their recent activities and upcoming developments and functionalities.

Regarding the governance, it appears adequate to set up groups at three levels: one group for interaction with stakeholders; another one between TSOs, PRISMA and NRAs (with a focus on national implementation); and another one (with less frequent meetings) focused on EU-wide matters, involving ACER, ENTSOG and the EC. PRISMA declared to be open to analyse different options. Discussions will go on between ACER, ENTSOG and PRISMA staff.

The CAM Roadmap coordinator pointed out the need for higher involvement from the EC. It is also needed to find a way to be constantly updated about project-level and EU-wide issues. The current internal set-up within DG ENER does not seem to be optimal when it comes to their involvement in the GRI. The GRI Coordinator will discuss with the EC in order to look for higher involvement on their side.

At the PRISMA meeting, the issue of the cost of the booking platform was also addressed. The GRI Coordinator explained all the angles of this issue. The CAM TF is planning a detailed discussion on it at its next meeting on 18 February.

As a final point on CAM, the GRI Coordinator also highlighted the need to upgrade the target for end 2014, in terms of TSOs and IPs implementing the CAM NC provisions, in order to ensure that we aim to full compliance by November 2015. The current trend would be reaching about 50% of capacity offered in a bundled way by end 2014, whereas the target should rise to around 70% in order to be on track to reach 100% by 1 November 2015.

The CAM Roadmap coordinator agreed with this view and added that for having more TSOs and IPs involved in early implementation, the issues already identified need to be tackled and solved.

It was agreed to propose to ENTSOG to raise the target to 70% of cross-border capacity at IPs. This will be discussed with ENTSOG when we approach them in view of the next light update of the CAM Roadmap in Q2 2014.

## **Balancing: prospects for early implementation**

ACER updated the GRI members about the recent developments regarding the Balancing NC (BAL NC) implementation. After the TSOs’ document on BAL NC implementation was received from ENTSOG in November 2013, a questionnaire was prepared by the BAL TF chairs and submitted to NRAs for responses until mid-January. So far, 9 responses have been received, with different views on the implementation of the different NC provisions depending on the current stage of development of the balancing regimes in the different countries.

BNetzA stated that they still had the intention to reply to the questionnaire and explained that work on the BAL NC implementation has started in the framework of a cooperation agreement between TSOs. This work will be boosted when the final NC is published.

There was a discussion specifically on the part of the questionnaire which is under the remit of the GRI group, namely those questions referring to early implementation and whether there is any need to set up some sort of ‘Roadmap’ to monitor early implementation. Different views were expressed. It was concluded that some kind of ‘light touch’ Roadmap or monitoring tool would be beneficial, to allow for a minimum level of coordination to ensure coherent implementation, regular reporting on developments and state of implementation, exchange of experiences and best practices, early detection of issues and transparency towards stakeholders.

ACER asked for volunteers to take the lead on this task.

# ACER RI reports

## **Status review report 2013**

ACER informed that the final RI Status review report 2013 had been published on 4 February. It is now available in ACER website.

ACER highlighted one of the recommendations in the report, which is updating the regional Work Plans for this last year of their timespan (2014) ahead of the next Madrid Forum on 6-7 May.

CNMC inquired whether work should be planned already beyond 2014 and on what basis. ACER took note of the need to address this and committed to report back to the group with the agreed approach, once decided.

## **GRI Quarterly report Q4 2013**

ACER asked for any feedback or comments on the draft version of the GRI Quarterly report Q4 2013, circulated to NRAs on 29 January. Input was requested until 7 February. The final report will be sent on 12 February for upload to the BoR meeting of 19 February.

# AOB

## **Evaluation of the GRI Coordination group**

ACER announced that a questionnaire had been prepared for an evaluation of the current practice in the GRI coordination group, in a similar way that it was done in the AGWG, in terms of format and frequency of the meetings, topics discussed, organisation of meetings, etc. The questionnaire was presented at the meeting and will be uploaded online for completion by GRI members within a reasonable period of time (around 2 weeks). The results will be presented at the next GRI coordination meeting.

# Next meetings

The date for the next meeting (via phone & online) will be set up within the first half of April. [**Post meeting** **note**: the date has been fixed for **2 April**, from 11:00h to 13:00h CET).

A physical meeting was also scheduled in Ljubljana on **16 June**, back-to-back with the AGWG meeting of 17 June.

## **Dates for first semester of 2014**

The draft calendar of GRI meeting dates in 2014 was presented. ACER intends to upload it in its website soon. ACER asked the South Lead NRA to verify that the dates for the meetings in the South region are correctly reflected in the file, and also asked the SSE Lead NRAs to provide the definitive date/s for the next RCC-SG meetings as soon as they are confirmed. At the moment, they are estimated to take place during the second or fourth week of May.

**Summary of actions**

| Action | Who | When Due | Status |
| --- | --- | --- | --- |
| Status of project for identifying priorities in the NW region: get updated information from ACM | ACER to ACM | asap | done |
| Look into issue of licensing conditions in the SSE region | SSE co-Lead NRAs | - | pending |
| Early implementation of CAM NC: approach ENTSOG in order to start planning next CAM Roadmap ‘light’ update and in particular:* Discuss governance and potential adaption in the light of the new groups proposed by PRISMA
* Raise the target for early implementation of the CAM NC to 70% by end of 2014
 | ACER | asap | pending |
| Discuss with EC to ensure higher involvement | GRI Coordinator | - | expected |
| Early implementation of BAL NC: NRAs to volunteer for leading work on this topic | NRAs | asap | pending |
| Planning of regional work beyond 2014: information to NRAs | ACER | - | expected |
| GRI Quarterly report Q4 2013: comments/feedback to draft version of 29 January | NRAs | 7 February | ongoing |
| Launch questionnaire for evaluation of GRI Coordination group | ACER | Week of 10-14 February | expected |
| GRI calendar 2014: confirm/send meeting dates to ACER for first half of 2014 | South and SSE Lead NRAs | asap | expected |
| Next meetings |  | 2 April 2014 (phone-online)16 June (Ljubljana) |  |