**55th IG Meeting. South Gas Regional Initiative**

15th September 2020 10:30-12:30 (telco)

**Minutes**

**List of participants**: ACER, CNMC, CRE, ENAGAS, ERSE, REN, TERÉGA.

***All documents presented in this meeting are available on the ACER’s web page:***

[https://www.acer.europa.eu/Events/55th-IG-Meeting/default.aspx](https://extranet.acer.europa.eu/Events/55th-IG-Meeting/default.aspx)

1. **1. Opening**

CNMC welcomed all participants to the 55th Implementation Group (IG) meeting and thanked them for their attendance.

The minutes of the 54th IG SGRI and the agenda of the 55th IG SGRI meetings were approved.

**2. WP First target: Use of infrastructures in the Region** (for information TSO and NRAs)

**2.1. Follow-up of infrastructures developments (PCIs, TYNDP, GRIP…)** (for information by TSOs)

TSOs informed about the TYNDP2020 status. The scenarios report was published in June together with a special call for Energy Transition projects. Final TYNDP2020 is expected to be approved by the ENTSOG board in October for being afterwards submitted for ACER´s opinion. No news on PCI list and South GRIP since the last IG meeting.

**TSOs/NRAs will keep informed the IG on the progress of the plans/projects for developing infrastructures.**

**2.2. Report on the use of VIP infrastructures October 16- Sept19: progress and work calendar** (for information by TSOs)

After the last IG meeting, NRAs sent to TSOs their comments on the first draft of the report. On 31st August, TSOs sent an updated version of the report after comments to CNMC. During the meeting TSOs presented the main conclusions of the report. It was agreed to circulate the report to ACER and NRA´s for comments, if any, until the 25th September. The final version of the report will be sent for online approval by the end of September and it will be published in ACER´s website.

**NRAs will send their comments to the report no later than the 25th September. The report will be submitted to the IG members for online approval before the end of September. The report will be published in ACER´s website.**

1. **WP Second target. Market integration**
   1. **Follow-up of gas prices** (for information by NRAs and TSOs)

NRAs and TSOs updated IG on the trends of market prices. After a period of prices at historically low levels all around the world due to COVID-19, prices in European hubs has started to increase slightly, making bigger the gap between EU markets and Henry Hub, attracting more cargos from USA to EU. Differential in prices inside the Region keeps relatively low since March; the gap stayed lower before summer although it has already recovered a bit. Regarding the use of the interconnections, from March to June the utilization rate was quite below from the previous year but since July the rate was quite similar to 2019.

After discussion, it was agreed for the next meetings to present prices together with market liquidity information, in order to make possible a better comparison between hubs.

**NRAs and TSOs will keep on following the evolution of gas prices in the Region.**

**3.2. ERSE public consultation on rules for trading product on MIBGAS and preconsultation on balancing rules: preliminary results and next steps** (for information by ERSE)

ERSE informed that the trading rules in MIBGAS for products delivered in the Portuguese VTP and associated procedures were approved on 7th September (the public consultation report and the approved regulation is available in ERSE’s website). The final version of the rules and related procedures is very similar to the one submitted to consultation. In a short time, MIBGAS, S.A. and the Portuguese TSO will present to market agents a schedule plan to initiate trading, including tests with agents. The public consultation report also includes a summary of the stakeholders’ responses to the pre-consultation topics on the balancing rules revision, which will serve as input for the upcoming revision of the balancing rules.

ERSE informed that, as defined in ERSE’s regulation since 2016, MIBGAS platform will be used by the TSO for performing their balancing actions (it was defined a fixed period of time for that to happen after trading of Portuguese products initiate) and the reference price for imbalances charges will be the price for Portuguese products, unless there is no price reference for Portuguese products, in which case prices in Spain can be used as reference, with applicable interconnection costs. The balancing rules in Portugal will be changed in order to remove the interim measures.

**ERSE will keep the IG informed on the ongoing regulatory developments in Portugal and on the progress of the starting of negotiation of Portuguese products in MIBGAS.**

1. **WP Third target. Contribution of gases to decarbonisation.** 
   1. **Injection of non-conventional gases** (for information TSOs)

CRE, ERSE and Enagás updated the IG on the issues regarding the contribution of gases to decarbonisation. CRE presented the measures set in the hydrogen plan 2018 in France, the energy climate act passed on November 2019 and the strategy to develop decarbonized hydrogen. ERSE informed on the main measures set in Decree-Law 62/2020 (Aug 28) approving the new organization of the Portuguese gas sector, to include the production of renewable and low carbon gases. Lastly, Enagás informed about several projects on hydrogen production and other energy transition projects.

**NRAs and TSOs will keep on exchanging information about this issue.**

1. **WP Forth target. Other items for discussion**
   1. **Status of Tariff NC implementation in the Region** (for information by NRAs)

CNMC informed that after the second public consultation closed on 13th April the methodology was sent to ACER again. The new ACER´s report was received on 8th May. The tariff methodology was approved on 22nd July. The tariff values were sent to public consultation July 27th to 24th August. The values are expected to be approved before the end of September.

* 1. **AOB** (for information by NRAs)

ERSE asked about the status of document on the allocation of interruptible capacity in a coordinated way in VIP Ibérico. The document is under Enagas´ review and it will be included as an agenda’s point in the next IG meeting.

1. **Calendar for the next meeting.**

**Next IG meeting:** 9th December 2020 by telco (10:30-12:30 CET).