

# GSA – Brief information

Bucharest, 12 December 2014

the system, that connects



### EUROPEAN:

CAM NC: **European Network Code on Capacity Allocation Mechanisms** (NC CAM), adopted by Commission Regulation (EU) No. 984/2013 of 14 October 2013. According to this network code, the capacity allocation on Interconnectors in all Member countries of the European Union, shall be allocated only through auctions on auction platform(NC CAM) comes into force as of 1st November 2015.

### POLAND:

TNC: the new **Transmission Network Code (TNC)** – according to the **p. 20.5.** approved on 22<sup>nd</sup> November 2013 r. by the President of Energy Regulatory Office, the capacity allocation on interconnectors shall be allocated through auctions. To achieve this obligation GAZ-SYSTEM S.A allocates the capacity on interconnectors on the **GAZ-SYSTEM Auctions** platform to which access is provided by Information Exchange System (IES)

# Legal background for capacity platforms

- EU regulatory framework designed to complete an internal market and foster competition:
  - III energy package
    - Directive 2009/73
    - Regulation 715/2009
    - Network Codes, including CAM NC

Article 27 of CAM NC:

*1. Transmission system operators shall apply this Regulation by offering capacity by means of one or a limited number of **joint web-based booking platforms**. Transmission system operators can operate these **platforms** themselves or via an **agreed party** that, where necessary, acts on behalf of them towards the network users(...)."*

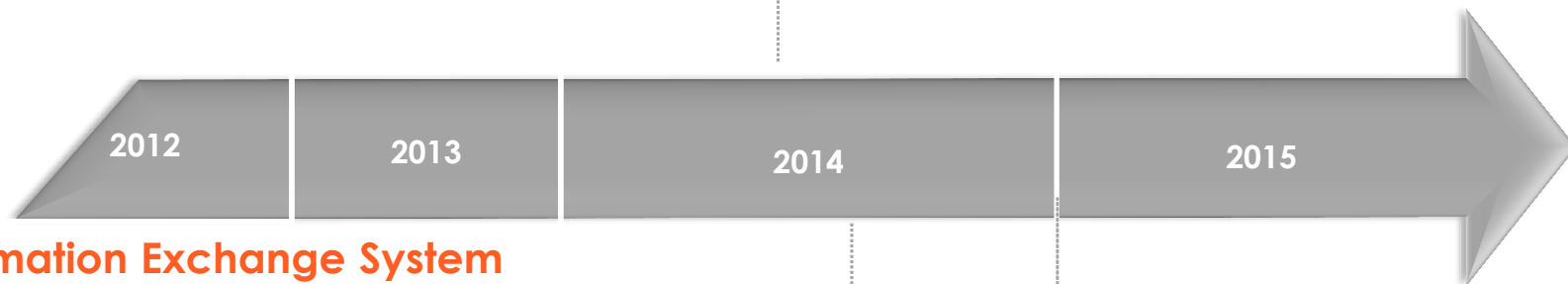
- Other legal acts, including i.a. TENE Regulation
- Our goal is to provide:
  - a solution allowing to **implement** the provisions of the **European Network Code on Capacity Allocation Mechanisms** (NC CAM), adopted by the Commission Regulation (EU) No. 984/2013 of 14 October 2013 **at reasonable costs**.
  - high quality services that will satisfy both the Transmission System Operators and their Shippers.

# GSA Implementation

## STAGE I (July 2014)

- Multi TSO model
- **Bundled** and unbundled products
- Monthly, Quarterly, Yearly products

GSA Platform



Information Exchange System  
for GAZ-SYSTEM S.A. clients

- Memorandums of understanding
- Pilot projects
- Cooperation agreements

## STAGE II (31 DECEMBER 2014)

- Additional interface (edig@s v5 in accordance with BRS CAM ENT SOG)
- **Full CAM NC compliance**
- Multicurrency
- Secondary Market
- Advanced security mechanisms
- Multilanguage
- Tariff calculator
- Financial security check
- Daily & Within-day Auctions

Maintenance 24/7

More than 503  
registered users

More than 200 auctions  
conducted successfully  
from December 2013

### STAGE 1 (completed on 21 July 2014):

- 2 TSOs (GAZ-SYSTEM, GAZ-SYSTEM ISO)
- Few TSOs testing the platform
- 60 auctions conducted so far (bundled and unbundled capacities)
- Stage 1 of the Platform is fully implemented and used on the regular basis.
- GSA is the only tool now used in GAZ-SYSTEM for the allocation of the capacities
- Q and M auctions are performed on a daily basis **(also bundled)**

### STAGE 2 (testing procedure, 31 Dec 2014):

- Stage 2 of the Platform (full CAM NC compliance) is currently being tested

### COOPERATION WITH OTHER TSOs:

- Pilot project with the Czech TSO – NET4GAS in progress (implementation 2015)
- Discussion with other TSOs about other pilot projects
- Discussion with German TSOs and German NRA ongoing

## PRICING:

- Each TSOs joining the GSA Platform, will lower unit cost of its operation and implementation (per IP)
- Annual Fee estimated around 15 000 – 20 000 EUR per Contractual IP (per direction)
- The fee for use of the platform will be independent from the number of auctions carried out by Operator at the Contractual IP (per direction)
- **Pilot projects free of charge**

## GOVERNANCE:

- For the time being GAZ-SYSTEM is the sole owner of the Platform
- Council of TSOs to be established in case other TSOs shall joint on permanent basis
- If requested by other TSOs various different business models can be considered
- Main focus on costs control

## Cooperation with other platforms

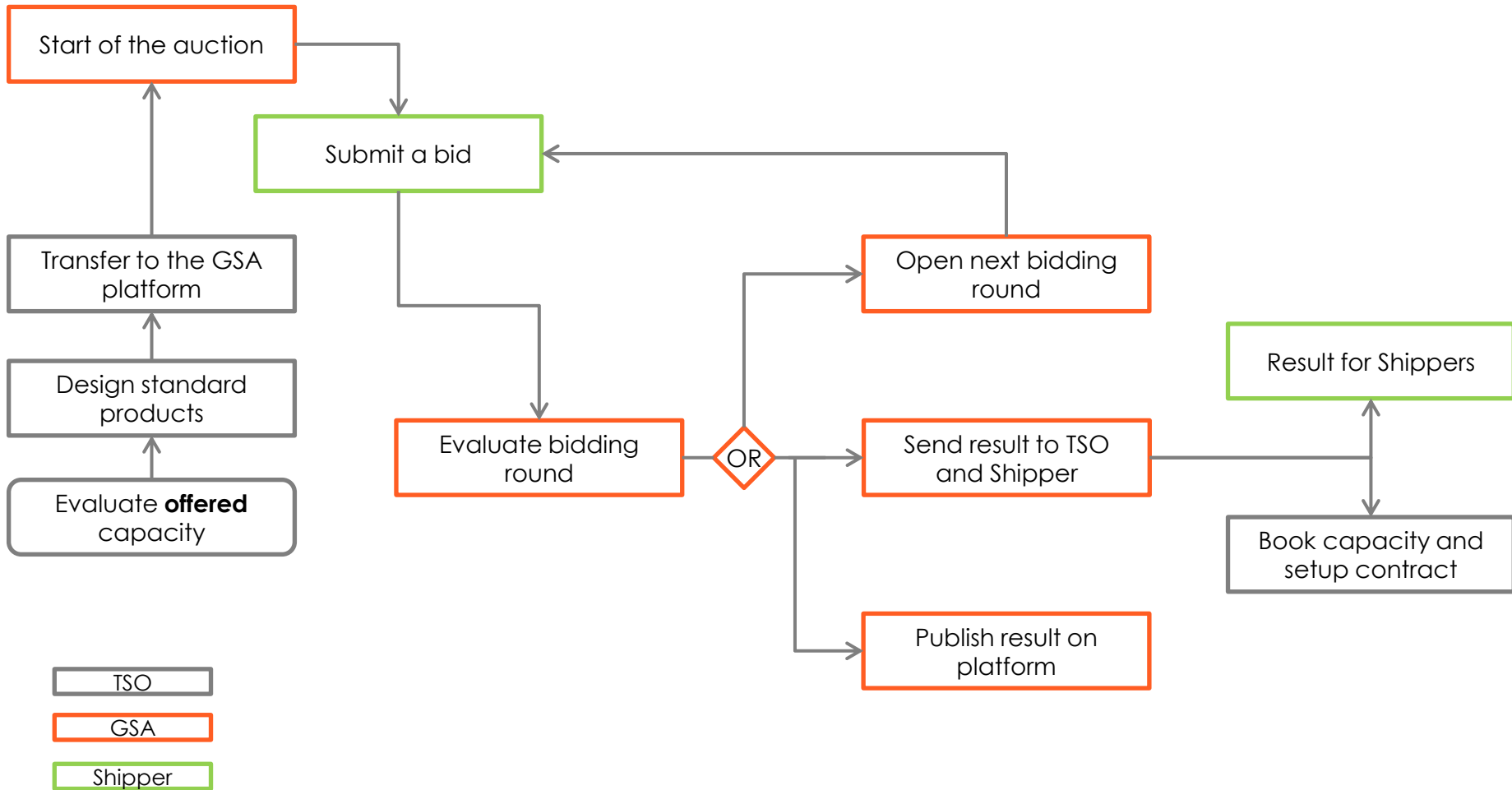
1. Each TSO should have a free choice to select the platform based on: effectiveness, user friendliness, optimal financial model, adapted to the specific situation of each operator. It should not be forced to do that
2. GSA and other available platforms on the market meet the needs of particular groups of TSOs and reflect the situation in particular regions in EU in terms of market development
3. **As soon as possible (GSA approach), the way of cooperation between the platforms should be agreed on**
4. Single Contractual IP should be auctioned on a single platform
5. **At the present stage the solution seems to be:**
  1. **Contractual IP on one platform. It means that capacity on two directions could be auctioned via two different platforms**
  2. **In case of a cross border point between two TSO using different platforms – TSOs should choose one platform and respect exclusively their costs. It means that TSO which is not a user of a chosen platform should not bear the costs of using that platform**

## Auction calendar by CAM

Products	Publication of auction	Start of the auction
<b>Yearly</b>	1 month before the start of the auction	1st Monday of March
<b>Quarterly</b> <i>(X-XII, I-III, IV-VI, VII-IX)</i>	2 weeks before the start of the auction	1st Monday of June (for all four quarters)
<b>Monthly</b>	1 week before the start of the auction	3rd Monday



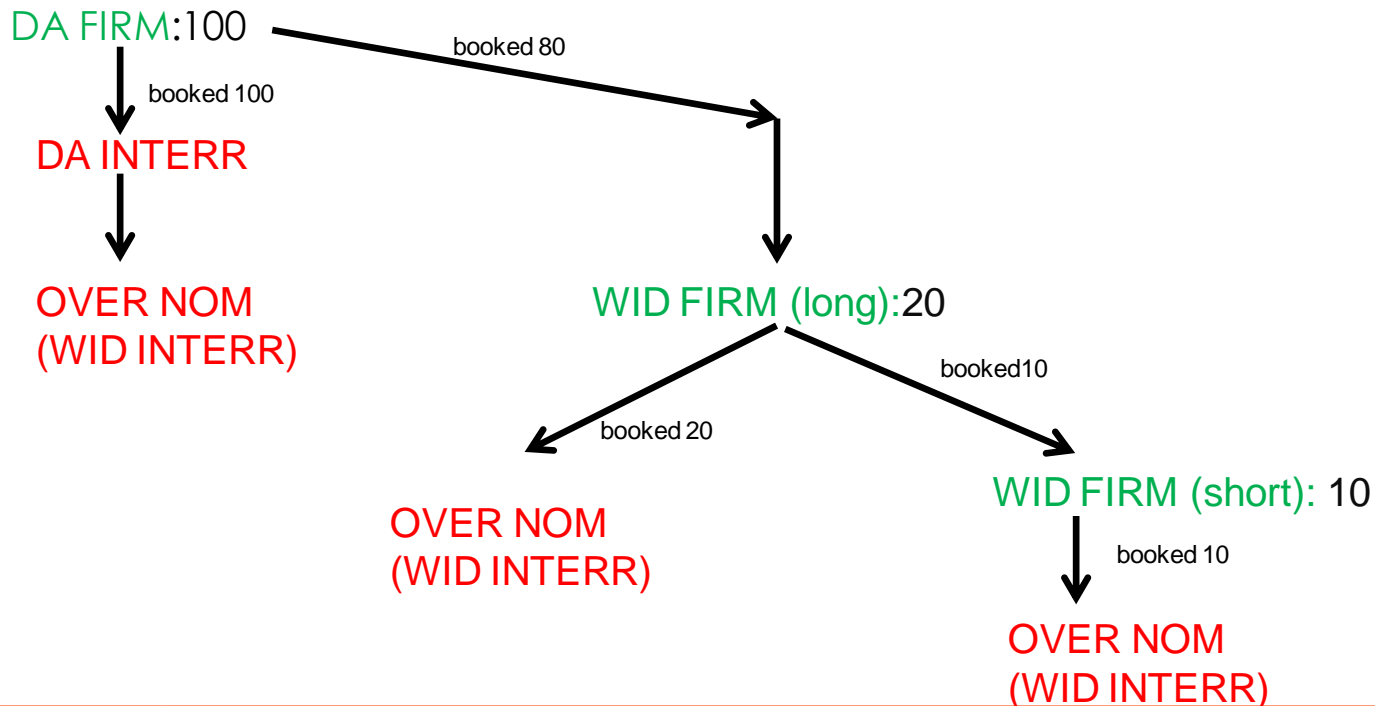
# Ascending Clock auction algorithm



## Daily capacities by CAM

- Daily and intraday products allocations – start at 16:30 D-1
  - Firm capacity allocated by one price auctions
  - Interruptible by over-nomination when whole firm booked

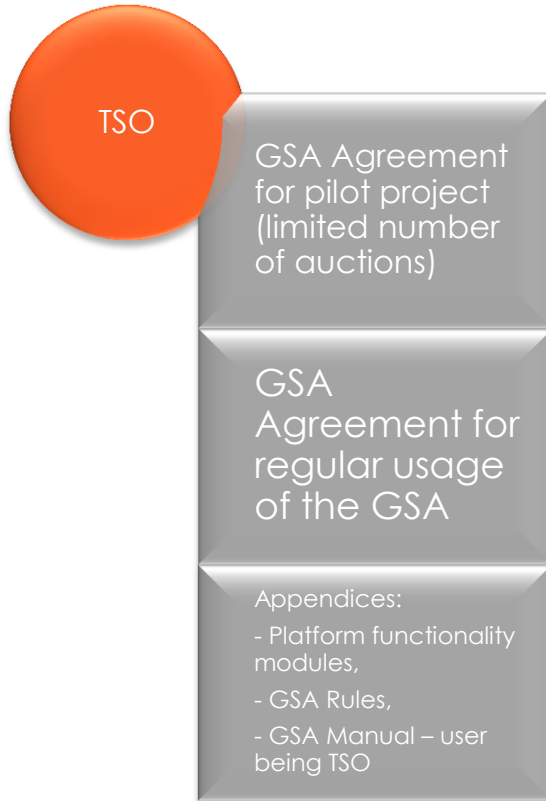
Available for day ahead 100



### Before the auction:

- TSOs must be registered in GSA platform
- Shippers must be registered in GSA platform and with particular TSOs
- Auctions must be published by TSOs in advance in the Auction calendar
- Auction price steps must be published in advance before the auction

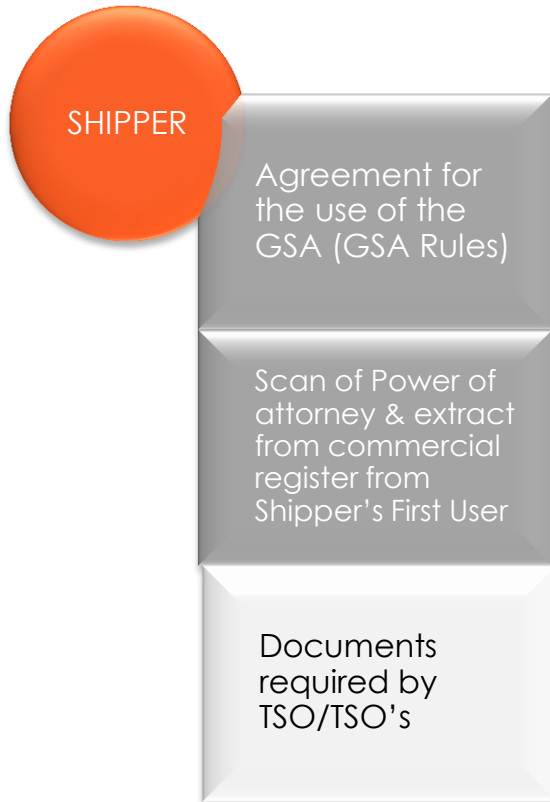
## How to access the GSA? - TSO



1. To test the GSA, the TSO concludes a pilot agreement, which enables him to execute a limited number of auctions only.
2. After the pilot phase, if the TSO wants to use GSA for designated points in a permanent way, it concludes a long-term agreement with GAZ-SYSTEM.
3. Similar content of both agreements.

GSA documents: <https://auctions.gaz-system.pl/files/downloads>

## How to access the GSA? - Shipper



1. To register and use the GSA, the Shipper concludes an agreement for the use of the GSA (GAZ-SYSTEM Auction Platform Rules).
2. To conclude the agreement for the use of the GSA, the Shipper needs to provide electronic versions of a power of attorney and excerpt from commercial register.
3. To use the GSA, the Shipper needs to be activated by a chosen TSO, after he submits all the documents required by a given TSO.

GSA documents: <https://auctions.gaz-system.pl/files/downloads>

### During the auction:

- All users participating in the auction are anonymous
- Bids during the auctions are anonymous
- Price steps are published in advance
  - Large price step
  - Small price step (20% of Large price step)
- Auction rounds starts at 9 AM and must finish until 6 PM, if not, the auction is continued next day
- Auction rounds timeline:
  - 1st Round – 2 h
  - 2nd Round – 30 min
  - Breakdown between the rounds – 30 min

### After completion of the auction:

- Users which acquired capacity during the auction will receive separate information via email
- If the capacity as the result of the auction is acquired by particular User, that means that the **transmission contract is concluded**
- Capacity which was not allocated is offered in the next auctions, for the shorter products
- Official results are published on the GSA website:

<https://aukcje.gaz-system.pl/auctions?tab=A&onlyBundled=false>

# GSA – Auction Results



## AUCTIONS



[Auctions](#)
[Operators](#)
[Shippers](#)
[Network points](#)
[News](#)
[Documents](#)

[Sign in](#)

### List of auctions

[Current](#)
[Past](#)
[Future](#)

Show only bundled



Auction ID	Status	End date	Point name	Product					Surcharge	Direction	Operator	Bids sum	Free cap	Operations
				Capacity	Period	Capacity type	Tariff	Type						
														<b>SHP</b>
389	Finished (23.1)	2014-12-08 10:00	[870002] SGT Mallnow R...	5 595 042	2015-01-01 2015-03-31	Firm	0.0003388		0.0003774	Entry	GAZ-SYSTEM ISO	5 571 101	23 941	<b>8</b>
390	Finished (24.0)	2014-12-05 18:00	[172434] Punkt Wzajemn... [800034] SGT Punkt Wza...	5 571 101	2015-01-01 2015-03-31	Firm Firm	0.004336 0.0009537		0.003864	Entry Exit	GAZ-SYSTEM GAZ-SYSTEM ISO	5 571 101	0	
382	Finished (7.3)	2014-12-03 12:00	[272411] Lasów	276 532	2015-01-01 2015-03-31	Firm	0.004336		0.00924	Entry	GAZ-SYSTEM	216 320	60 212	<b>3</b>
383	Finished (5.0)	2014-12-02 18:00	[370001] Cieszyn	54 028	2015-01-01 2015-03-31	Firm	0.004336		0.0056	Entry	GAZ-SYSTEM	53 788	240	



# How to access the GSA? How to test the GSA?



## Operators

We invite all of the new Transmission System Operators interested in cooperating with the GSA Platform to register.

[Register »](#)

## Shippers

We invite all of the new Network Users interested in cooperating with the GSA Platform to register.

[Register »](#)

## Sign in

[Forgot your password?](#)

[Login](#)

**PRODUCTION ENVIRONMENT:**

<https://auctions.gaz-system.pl/>

**TEST ENVIRONMENT (For interested TSOs, NRAs):**

<https://auctions.gaz-system.pl/test>

**We invite all interested companies to test GSA Platform functionalities and become familiar with the documents!**

# Thank you for your attention

Stanisław Bręczkowski  
– Chief Specialist, National Gas Dispatching Center  
[stanislaw.brzczkowski@gaz-system.pl](mailto:stanislaw.brzczkowski@gaz-system.pl)



the system, that connects

