

1st Meeting on Implementation of the Gas Network Codes in the Energy Community

Hungarian Energy and Public Utility Regulatory Authority, Bajcsy-Zsilinszky út 52, H-1054 Budapest Thursday, 7 July 2016, 09:30 – 13:00

Meeting Summary

Chair: Nina Grall, Energy Community Secretariat

Participants: ref Annex

I. Sequence and timeline of NC implementation

- The Energy Community Secretariat ('Secretariat') introduced the concept for implementing gas Network Codes (NCs) in the Energy Community Contracting Parties (EnC CPs), jointly developed by the Secretariat and European Commission ('Commission') with input from the NC teams of ACER and ENTSOG. The concept foresees sequenced but, at the end, complete transposition and implementation of all gas NCs (ref Secretariat presentation1). Content and time-wise sequencing targets realistic implementation that reflects the development status of the individual CPs.
- The Secretariat underlined that the concept is open to discussion with stakeholders, in particular CP and MS TSOs and NRAs with a view to prepare meaningful NC proposals for adoption by the CP Ministries (Permanent High Level Group, PHLG), targeted for December 2016 according to the June 2016 PHLG conclusions.
- The Secretariat presented the concept of sequenced NC implementation on the example of the CAM NC¹ (cf Secretariat presentation2). The CAM NC was not discussed in detail despite the following remarks:
 - Data exchange provisions and intra-day re-nominations should go to step1;
 - Adjustments of the CAM NC related to tariffs expected for comitology approval mid September 2016 should be taken into account.
- Ukrtransgaz outlined the need for different NC implementation deadlines for individual CPs taking into
 consideration already made progress in relation to NC implementation and noted the ability of UA to
 implement the NCs earlier than proposed in the presented concept.
- Representatives of Ukrtransgaz, Gaz-System and FSGZ questioned the concept of sequenced NC implementation and pleaded for a one-step approach of all NCs in their entirety having in mind that the NCs and their individual Articles are interlinked.
- Participants proposed that further discussions are organized in smaller groups and by Interconnection Point (IP).

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¹ Regulation (EU) 984/2013. Adapted version for implementation in the CPs prepared by the Secretariat and circulated in advance of the meeting.



- Participants in-depth discussed the proposal for implementing the IO NC² (cf Secretariat presentation3), including the following remarks:
 - Articles 15-19 could go to step 1 since only defining dispute settlement solutions;
 - fulfillment of ENTSO-G tasks related to Article 24 is to be met within the next months having in mind that these rules should be likewise applied by CPs, Article 24 could move to step 1;
 - monitoring tasks stemming from the NCs (for the CPs either to be allocated to ENTSO-G or ECS) should be defined in a streamlined way for all NCs;
 - possible changes to the IO NC subject to open public consultation on gas quality should be reflected.
 - when considering deadlines for implementation of Article 9 (which per se is unproblematic), tax/custom law provisions allowing for implementation of the IO NC and their possible changes, if needed, have to be reflected based on experience in implementing UA-SK and UA-PL ICAs;
 - Ukrtransgaz pinpointed to existing problems hindering signature of ICA at certain IPs (cf Ukrtransgaz presentation);
 - ECRB Gas Working Group presented status quo review of implemented IO NC provision in the CPs and selected EU MS.

II. Reciprocity on CP-MS IPs

- The Secretariat and CP representatives stressed the need to achieve legally binding reciprocal application
 of NCs on CP-MS Interconnection Points (IPs). Participants though agreed that related legal certainty
 cannot be solved by TSOs or NRAs but must be addressed by the Secretariat and Commission separately.
- Participants supported the scope of working towards mutual agreed ("voluntary") reciprocal application of NCs on CP-MS IPs. They, however, pinpointed to the fact that certain preconditions are out of scope for TSO/NRA agreement to the extent involving political questions (e.g. inability of Ukrtransgaz to effectively implement Interconnection Agreement's matching rules at its borders to MSs due to lack of shipper pairs availability; cf presentation Ukrtransgaz). Participants called upon the Commission and Secretariat to address related aspects in the CESEC process.

III. Way forward

- Secretariat to circulate meeting slides and meeting summary.
- TSOs/NRAs to communicate amendments to the contact lists to the Secretariat.
- Next meeting: 21 September 2016 in Ljubljana for discussion of IO and CAM NCs per IP; Secretariat to circulate new version of the IO and CAM NCs adapted for adoption in the CPs and adjusted to the meeting discussions.
- In the light of the discussions in the future will be split into the following groups:
 - HU SRB BiH
 - UA MD ROM
 - UA PL SK HU (potentially to be split further)
 - BG MAC

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² Regulation (EU) 703/2015.



Annex – List of Participants

Name	Institution / Company	NRA/TSO/supplier
Albania		
Mr Maksim Shuli	ERE	NRA
Austria		
Mr Alessandro Ischia	E-Control	NRA
Bosnia and Herzegovina		
Mr Milenko Tomic	SERC	NRA
Croatia		
Mr Nikola Vistica	HERA	NRA
Hungary		
Mr Balazs Tatar	FGSZ	TSO
Mr Lajos Bütösi	Magyar Gaz Tranzit	TSO
Mr Zsolt Eles	Magyar Gaz Tranzit	TSO
Mr Robert Feher	FGSZ	TSO
Mr Heiter	HEO	NRA
Mrs Erika Katjan	FGSZ	TSO
Italy		
Mr Vincenzo Cioffo	AEEGSI	NRA
Kosovo*		
Mrs Drita Desco	ERO	NRA
Moldova		
Mr Serghei Brasoveanu	ANRE	NRA
Poland		
Mr Stanislaw Brzeczkowski	Gaz-System Gaz-System	TSO
Mrs Marta Zapart	Gaz-System Gaz-System	TSO
Romania		
Mr Ovidiu Schreiner	Transgaz	TSO
Serbia		
Mrs Dejana Milovanic	AERS	NRA
Mr Aleksandar Popadic	AERS	NRA
Slovakia		
Mr Milan Sedlacek	Eustream	TSO
Mrs Andrea Sekova	Eustream	TSO
Ukraine		
Mr Lisa Bandanova	Naftogaz	supplier

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Ukrtransgaz	TSO
Ukrtransgaz	TSO
NEURC	NRA
Ukrtransgaz	TSO
Energy Community Secretariat	
ACER	
Energy Community Secretariat	
ENTSOG	
ACER	
Energy Community Secretariat	
ENTSOG	
	Ukrtransgaz NEURC Ukrtransgaz Energy Community Secretariat ACER Energy Community Secretariat ENTSOG ACER Energy Community Secretariat

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