2nd ECP meeting Vienna 22 Oct 2018

TSO/TSO cooperation – update on Ukrainian case issued on the FUNC Platform (FP)

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Problem description

- Ukrtransgaz requested the EnC Secretariat to present its proposal to amend NC INT on the FP
- Ukrtransgaz: The NC INT rules should be applied at interconnection points between Ukraine's GTS and the European TSOs
**Process steps taken (1)**

**Telco between ACER, EC, EnC and ENTSOG**

> 14th September a telco took place to
>  - Get a better understanding about the issue
>  - How to further progress the issue

> The Ukrtransgaz proposal to amend the INT NC is disregarded
>  - Application of Third Package rules between EU and EnC contracting parties can only be established by an international treaty

> EU TSOs say that there are no technical but contractual issues to conclude IAs between the parties
>  - But maybe nomination and matching procedures could be established
>  - ACER requested checking with Ukrtransgaz regarding their view on technical or contractual barriers
>  - See next slide for more information
Process steps taken (2)

Email from ENTSOG INT team with 4 questions to UTG

- Are there any technical obstacles on Ukrainian side which interfere to perform matching, nomination procedures with adjacent TSOs?
- Are there any commercial, contractual or legal obstacles on Ukrainian side which interfere to perform matching, nomination procedures with adjacent TSOs?
- Are you aware of any technical obstacles on EU TSOs’ side which interfere to perform matching, nomination procedures with adjacent TSOs?
- Are you aware of any commercial or legal obstacles on EU TSOs’ side which might interfere to perform matching, nomination procedures with adjacent TSOs?

Summary of answers

- Nomination and matching procedures already in place for flows from EU TSOs to UTG
- No technical restriction but contractual ones for the other direction
  - Gazprom not providing nominations with Shipper-Code pairs
  - Nomination and matching procedures can’t be applied
- UTG don’t see barriers on the EU TSOs side
- Very important for UTG to further work on IA between them and relevant EU TSOs
  - Need to be ready by the 1 Jan 2020
Way forward

**FUNC issue to be closed on the FP**

> ACER and ENTSOG to recommend to close the issue on the FP, with a description of the legal consideration and the identified contractual barriers.

> The current understanding is that, when the contractual barriers are removed, the NC INT rules could be applied at interconnection points between Ukraine's GTS and the European TSOs.

> Therefore IAs could be in place by the 1st Jan 2020

> Formal conclusion of the issue is yet to be agreed by ENTSOG and ACER.
Thank You for Your Attention

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