

2nd Meeting on Implementation of the Gas Network Codes in the Energy Community

Hotel Lev | Ljubljana, Slovenia 21 September 2016, 11:00 – 18:00

Meeting Summary

Co-chairing: Nina Grall, Energy Community Secretariat | Kristof Kovac, DG ENER

Delivered presentations available at: www.energy-community.org – events – 21 September 2016 (https://www.energy-community.org/portal/page/portal/ENC_HOME/CALENDAR/Other_Meetings/2016/21_Sep)

I. General part: concept, general discussion of the IO-, CMP- and CAM- Network Codes

Participants: all participants listed in Annex I Agenda item Annex II, 11:00-12:30

- The Energy Community Secretariat ('Secretariat') presented:
 - a. A recap of the concept for implementing gas Network Codes (NCs) in the Energy Community Contracting Parties (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 NCs¹. The Secretariat underlined that the concept is open to discussion with stakeholders, in particular CP and EU 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 conclusions².
 - b. An illustration of the sequenced transposition and implementation concept on the example of the Capacity Allocation Mechanism (CAM)³ NC.⁴
 - c. An overview of the Interoperability (IO) $NC^{5.6}$
 - d. The NC on Congestion Management Procedures⁷ (CMP).⁸
- GAMA pinpointed to the public procurement requirement applicable in FYR of Macedonia that would hinder free chose of a capacity allocation platform. Mrs Grall (Secretariat) noted that public procurement rules

¹ Ref presentation: Secretariat, Implementing Gas Network Codes in the Energy Community, Concept.

² Ref. <u>www.energy-community.org</u> – events – 22 June 2016.

³ Regulation (EU) 984/2013.

⁴ Ref presentation: Secretariat, Phased implementation of Regulation (EU) 984/2013 establishing a Network Code on Capacity Allocation Mechanisms.

⁵ Regulation (EU) 703/2015.

⁶ Ref presentation: Secretariat, Implementing Gas Network Codes in the Energy Community, Regulation (EU) 2015/703.

⁴ Amendment of the Annex to Regulation (EU) 715/2009.

⁸ Ref. presentation: Secretariat, Congestion management procedures in the event of contractual congestion- amendment of Annex of Regulation 715/2009.



applicable to the CPs' gas and electricity sectors are currently under revision by a Secretariat's study and invited participants to address possible concerns / problems to the Secretariat.

- Mr Popadic (AERS) asked whether long term UIOLI rules are applied in the EU MSs. Mrs Bartok (ACER) explained that they are implemented in most MSs but are not applied in praxis⁹.
- Participants agreed that the proposal of the CAM NC for PHLG adoption shall target the most recent version applicable on EU level, not expected to be applicable before March 2017. Participants therefore suggested not tabling the CAM NC for PHLG adoption in December 2016 but directly after applicability on EU level.
- The Secretariat and CP representatives stressed the **need to achieve legally binding reciprocal application of NCs on CP-MS IPs**. Participants though noted that related legal certainty cannot be solved by TSOs or NRAs but must be addressed by the Secretariat and Commission separately.

II. Focus IO NC

<u>Note</u>: Group 3 (UA-MD-ROM) as foreseen in the agenda was re-shuffled integrating MD into Group 1 due to the absence of representatives from ROM.

General

- Mr Popadic asked at which network level the common set of units are supposed to apply. Mr Pollex (ENTSOG) clarified that they must apply towards shippers, i.e. on entry-exit Interconnection Points (IPs), including the cases where such exist within a national transmission system as regards the information provisions of Article 17 IO NC. Mrs Bartok (ACER) added that application of the common set of units should be also of relevance for capacity platforms.
- It was confirmed that for transmission systems only linked to one other neighboring system (e.g. the case SRB-BiH) the exemption of Article 13(3) IO NC applies.

Group discussions

a. Group 1: UA-PL-SK-HU-MD

Participants: relevant participants listed in Annex I

All group representatives confirmed readiness to implement the IO NC within the deadlines proposed by the Secretariat, noting that:

- Finalization of an Interconnection Agreement between MD and UA is targeted for November 2016.
- Committement remains subject to binding reciprocal application of NCs on CP-MS IPs¹⁰.

⁹ See as well: ACER, Implementation Monitoring Report on Congestion Management Procedures - Update 2016 of 21 September 2016, para 65.



b. Group 2: HU-SRB-BiH

Participants: relevant participants listed in Annex I

IP SRB-HU:

- Srbijagas and FGSZ confirmed readiness to on technical level finalize already initiated discussions on an Interconnection Agreement (IA) in line with the IO NC by end 0f 2017. Representatives though noted pending legal obstacles in SRB that cannot be solved on technical level. In this context Srbijagas stressed that for finalization of an IA on the SRB-HU IP in line with the IO NC split up of the existing transit contract would be needed, having in mind that technical interoperability rules are currently part of (i.e. annex to) the existing transit contract. Mr Kovac explained that such approach was also needed for the recently signed GR-BG IA and was technically and legally solved via a side protocol to the transit contract signed together with the IA.
- Committement remains **subject to binding reciprocal application** of NCs on CP-MS IPs, also having in mind the persisting concerns of the SK regulator to apply NC rules on its borders to UA.

IP SRB-BiH:

- Participants of SRB and BiH declared **readiness to start technical discussions on an IA for the SRB-BIH IP** and expressed their understanding that such can be finalized on technical level within the deadlines proposed by the Secretariat.
- Participants though noted that **pending legal obstacles in SRB and BiH** remain an obstacle that cannot be solved on technical level.

c. Group 3: BG-FYR of Macedonia

Participants: relevant participants listed in Annex I

Participants of BG and FYR of Macedonia (FYRoM) declared **readiness to start technical discussions on an IA for the BG-FYRoM IP** and expressed their understanding that such can be finalized on technical level within the deadlines proposed by the Secretariat. In this context reference was also made to the existing obligation of Bulgartransgaz under the Central and South Eastern Europe Gas Connectivity (CESEC) process to launch discussions on an IA with GAMA in September 2016¹¹. Mr Kovac confirmed to follow up on the initiation of related discussions.

III. Way forward

- Secretariat to make available meeting slides and meeting summary.
- Next meeting: 20 October September 2016 in Vienna

¹¹ https://ec.europa.eu/energy/sites/ener/files/documents/CESEC%20Action%20Plan%202.0%20-%20FINAL.PDF.



Annex I – List of Participants

Name	Institution / Company	NRA/TSO/supplier
Austria		
Mr Alessandro Ischia	ECA	NRA
Bosnia and Herzegovina		·
Mr Goran Asonja	Gas Promet	TSO
Mr Milomir Draganic	Gas Promet	TSO
Mr Sladoje Gavro	Sarajevo gas	TSO
Mr Alija Karcic	BH-Gas	TSO
Mr Slavo Krajisnik	Sarajevo gas	TSO
Mr Milenko Tomic	SERC	NRA
Bulgaria		
Mrs Sirma Dencheva	EWRC	NRA
Mrs Mariana Sirkova		NRA
Croatia		
Mr Nikola Vistica	HERA	NRA
FYR of Macedonia		
Mr Slavko Bundaleski	ERC	NRA
Mr Dalibor Mitrovski	ERC	NRA
Mr Vladimir Talevski	GAMA	TSO
Georgia		
Mr Irakli Galdava	GNERC	NRA
Hungary		
Mr Csaba Bagdi	FGSZ	TSO
Italy		
Mr Vincenzo Cioffo	AEEGSI	NRA
Moldova		
Mrs Elena Stratulat	ANRE	NRA
Poland		
Mr Stanislaw Brzeczkowski	Gaz-System	TSO
Mrs Marta Zapart	Gaz-System	TSO
Serbia		
Mr Stevan Dukic	Srbijagas	TSO
Mr Bojan Kacanski	Srbijagas	TSO
Mr Aleksandar Popadic	AERS	NRA
Mrs Branka Tubin-Mitrovic	AERS	NRA



Slovakia				
Mrs Andrea Sekova	Eustream	TSO		
Ukraine				
Mr Lisa Bandanova	Naftogaz	supplier		
Mr Sergiy Makogon	Ukrtransgaz	TSO		
Mrs Tetiana Kryvonoh	NEURC	NRA		
Institutions				
Mrs Csilla Bartok	ACER			
Mrs Karolina Cegir	Energy Community Secretariat			
Mr Riccardo Galletta	ACER			
Mrs Nina Grall	Energy Community Secretariat			
Mr Antonio Gomez Bruque	ENTSOG			
Mr Predrag Grujicic	Energy Community Secretariat			
Mrs Branislava Marsenic	Energy Community Secretariat			
Mr Kristof Kovac	DG ENER			
Mr Thomas Hölzer	ACER			
Mr Hendrik Pollex	ENTSOG			
Mr Thomas Querrioux	ACER			
Mr Jan Vitovsky	ENTSOG			



Annex II - Meeting Agenda

2nd Meeting on Implementation of the Gas Network Codes

in the Energy Community

Hotel Lev, Vosnjakova 1, Ljubljana, Slovenia

Wednesday, 21 September 2016, 11:00 - 19:00

Co-chairing: Energy Community Secretariat | European Commission

Agenda

	Topic	Participants	Documents
11:00 - 12:30	Phased implementation concept on the example of CAM Regulation (EU) 984/2013 Interoperability Regulation (EU) 2015/703 Implementation of CMP NC in the Energy Community Proposal by the Energy Community Secretariat Introduction on NC CAM & Incremental Capacity Comparison of Regulation (EU) 984/2013 and proposed Amendments Preparation for work in sub-groups	All sub-groups together	
12:30 - 13:00	Sandwich lunch buffet		
13:00 - 14:30	NC on Interoperability and Data Exchange Rules Interconnection Agreements Missing issues, reached agreements	Ukraine, Poland, Slovakia, Hungary TSOs, RAs	Regulation (EU) 703/2015 – adoption proposal
14:30 - 16:00	NC on Interoperability and Data Exchange Rules Interconnection Agreements Opening discussions, reached agreements	Hungary, Serbia, Bosnia and Herzegovina TSOs, RAs	Regulation (EU) 703/2015 – adoption proposal ENTSOG interconnection agreement template
16:00 - 17:30	NC on Interoperability and Data Exchange Rules Interconnection Agreements Opening discussions, reached agreements	Ukraine, Moldova, Romania TSOs, RAs	Regulation (EU) 703/2015 – adoption proposal ENTSOG interconnection agreement template
17:30 - 19:00	NC on Interoperability and Data Exchange Rules Interconnection Agreements Opening discussions, reached agreements	Bulgaria, fYR of Macedonia TSOs, RAs	Regulation (EU) 703/2015 – adoption proposal ENTSOG interconnection agreement template