



CRE consultation on amended methodologies for marketing entry capacity at the PIRs Dunkirk and Oltingue



EFET response – 20 March 2020

The European Federation of Energy Traders (EFET) thanks CRE for the opportunity to present its view on the amended methodology for marketing entry capacity at the PIRs Dunkirk and Oltingue. We also thank CRE for making this consultation once again available in English.

1. Are you in favour of the elimination of releasable capacities at the PIR Dunkerque and the implementation of new terms for selling capacity as proposed by GRTgaz?

Yes, we are in favour of the GRTgaz and CRE proposals to align the PIR Dunkirk capacity allocation rules with that of other PIR where the CAM network code is applicable. Harmonisation with European entry points for Norwegian gas such as Zeebrugge, Emden and Dornum will improve user-friendliness of the whole system, as well as transparency. Similar benefits might be expected with moving to PRISMA to offer Dunkirk PIR capacity products.

If 'releasable' capacity is removed as a product, shippers which hold such capacity should have a one-off option of returning the proportion of that capacity that was deemed 'releasable'.

Despite the fact that this is not foreseen in the CAM network code, we suggest keeping the UBI (or a similar mechanism) available also before firm capacity is sold out, in order to maintain this flexibility available to shippers.

2. Do you share CRE's analysis, against the introduction of a transitional regime for the July 2020 auctions enabling GRTgaz to sell all capacity available as yearly capacity for marketing year 1?

We support the CRE proposal to sell 3 GWh/d of yearly capacity in the July auction and 57 GWh/d in short term subscriptions.

3. Do you share CRE's analysis, against the change in the marketing mode for entry capacity at the PIR Oltingue, according to the terms proposed by GRTgaz?

Like in the case of the PIR Dunkirk, we support an alignment of the allocation rules at PIR Oltingue with that of other PIR where the CAM network code is applicable.

We nonetheless understand the wish of CRE to continue distinguishing the quasi-firm capacity sold at Oltingue from the firm capacities sold at Obergailbach and Virtualys, as well as ensuring that the common threshold for the three PIRs is not breached (and giving priority to capacity bookings at Obergailbach and Virtualys).

The GRTgaz analysis of the situation shows that capacity bookings at the three PIRs reaches the 1,260 GWh/d extremely rarely, and that the PRISMA platform would normally be able to accommodate multiple auction rounds allowing both quasi-firm capacity at Oltingue and firm capacity at Obergailbach and Virtualys to compete without reaching the threshold. Hence, the question of the alignment or not with the NC CAM on this matter relates to the few extreme cases where firm capacities at Obergailbach and Virtualys would compete with quasi-firm capacities at Oltingue, with a risk to endanger the system.

We see the added value of the GRTgaz proposal to align the capacity allocation rules at Oltingue with the CAM network code but are also conscious of the risk of congestion in few extreme cases. Hence, instead of rejecting bluntly the GRTgaz proposal in favour of the status quo, we invite CRE to liaise with the TSO again and study whether specific arrangements could cater for these few extreme days without losing sight of the CAM alignment objective.