

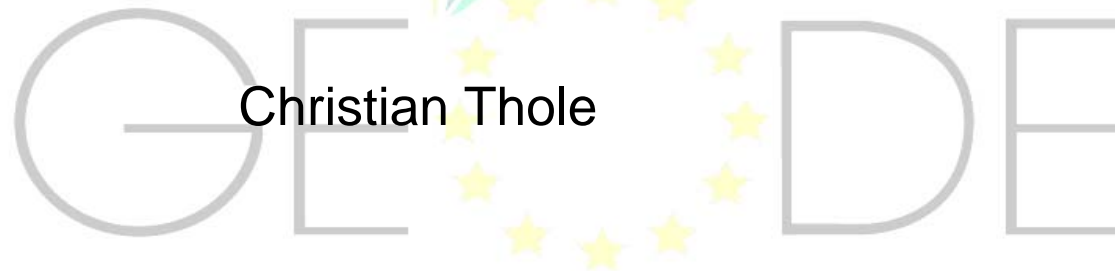


Vision for a Conceptual Model for the European Gas Market

View of Distribution System Operators

Vienna, December 3rd, 2010

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Gas Target Model - Main Goals

- Conceptual model for the internal gas market
 - Transport and market integration
 - SoS and sustainability are important, but not goal of the target model
- Non-binding high-level guidance
- Ensuring consistency of framework guidelines and network codes
- Identification of overlapping and interfaces of the different areas; analysis of potential conflicts
 - e.g. CAM/CMP // balancing
- Time schedule: target model should be suitable for implementation by 2015

Gas Target Model - Key Elements

- Key element of the target model are clear rules of **European market areas**, including
 - close cooperation between TSOs (and DSOs)
 - market area = entry-exit system = balancing zone
 - basically no capacity congestions in a market area, no contractual capacity booking;
if necessary, physical congestion management
 - development of (one) virtual trading point
 - harmonisation of tariff structures and rules
 - connection of (European) regional areas by market coupling
- Goal: three market areas for Europe (North-West, South-South-East, South)?
 - definition on the basis of a technical physical expert opinion is reasonable

Gas Target Model - Level of Detail

- Description and clarification of the key elements of the market areas
- Definition of overlapping aspects
 - e.g. harmonization of the gas day
- Description of the role of DSOs
 - DSOs are not part of the framework guidelines but DSOs are indirectly affected
 - Examples for responsibilities
 - data collection and transmission / measurement
 - allocation of standard load profiles (non-metered customers)
 - provision of linepack
 - capacity allocation and network development on DSO level
- Framework guidelines / network codes for detailed descriptions



Gas Target Model

- Regional Decision-Making

- Basic principle:
Key elements of the European market areas are not compatible with national decision-making
- (European) regional decision-making by regional initiatives, Art. 7 gas directive
 - close cooperation between ACER, NRA, TSOs, DSOs, Stakeholders
 - e.g. implementation details and interim steps
 - e.g. market coupling procedures between the European regional market areas

Thank you for your attention!

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