

# Market information regarding VIP implementation at the market border

## GASPOOL - Czech Republic

(04. September 2018)

Article 19 paragraph 9 of the Regulation (EU) 2017/459 (NC CAM) obliges transmission system operators (TSO) to establish virtual interconnection points (VIP) as of the 1 November 2018. This document provides information about the status of the VIP-Implementation at the market area border between GASPOOL and the Czech Republic and its impact on the main commercial processes.

### ***Which interconnection points will be merged into the VIP at the market border between GASPOOL and the Czech Republic?***

The German TSO GASCADE Gastransport GmbH ("GASCADE"), ONTRAS Gastransport GmbH ("ONTRAS") and OPAL Gastransport GmbH & Co. KG ("OGT") as well as the Czech TSO NET4GAS, s.r.o. (NET4GAS) will merge their interconnection points into the **VIP Brandov - GASPOOL**.

The following overviews display the interconnection points (IP) establishing the VIP Brandov - GASPOOL.

Direction GASPOOL → Czech Republic

GASPOOL		Czech Republic	
Respective TSO	IP <sup>1</sup>	Respective TSO	IP <sup>1</sup>
GASCADE	Olbernhau II	NET4GAS	Hora sv. Kateřiny - Olbernhau II
ONTRAS	Deutschneudorf	NET4GAS	Hora sv. Kateřiny
OGT	Brandov-OPAL <sup>2</sup> (only interruptible capacities)	NET4GAS	Brandov-OPAL <sup>2</sup>

1 After commissioning, the IP Deutschneudorf–EUGAL/Brandov-EUGAL becomes integral part of the VIP.

2 On the German side of the border only interruptible capacities of IP Brandov-OPAL shall be part of VIP Brandov-GASPOOL. On the Czech side of the border, all Brandov-OPAL capacities shall be part of the VIP.

Direction Czech Republic → GASPOOL

Czech Republic		GASPOOL	
Respective TSO	IP <sup>1</sup>	Respective TSO	IP <sup>1</sup>
NET4GAS	Brandov-STEGAL	GASCADE	Brandov-Stegal
NET4GAS	Hora sv. Kateřiny	ONTRAS	Deutschneudorf
NET4GAS	Brandov-OPAL	OGT	Brandov-OPAL

### ***How does the capacity marketing at the VIP Brandov-GASPOOL work?***

The involved TSOs will offer capacities at the VIP for the first time in the monthly auction for firm capacities on **15 October 2018 at 9:00 a.m.** The capacities will be published on PRISMA on 8 October 2018. The further capacity marketing will be conducted in accordance with the ENTSOG auction calendar, starting with the Day-ahead capacity auction on 31 October 2018 or with the auction for interruptible monthly capacity for November 2018.

The marketing of capacities at the VIP takes place according to the same rules, which were valid also before 1 November 2018 at the IPs. Only an exemption for the marketing of interruptible day-ahead capacities on the German side exists. Interruptible day-ahead capacity at the VIP will only be offered in case firm capacity for the following day is sold out, has been offered with a premium or has not been offered.

No capacities<sup>3</sup> will be offered at the IPs establishing the VIP Brandov-GASPOOL after 1 November 2018.

### ***Which TSO is responsible for the capacity marketing and processing of nomination at the VIP?***

On the GASPOOL side, GASCADE will be responsible for the capacity marketing at the VIP. For the acquisition of VIP capacities shippers need to be registered on the PRISMA capacity platform for the TSO GASCADE. This is especially relevant for shippers, who currently book capacities with ONTRAS or OGT at this market area border and who would like to book capacities in the future further on. Shippers who are already registered for GASCADE should check whether all relevant balancing groups are communicated to GASCADE. Nominations for the VIP will be processed by GASCADE as well.

<sup>3</sup> With the exception of the firm capacities of OGT on the German side of the border.  
Market information for VIP Brandov-GASPOOL

On the side of the Czech Republic, NET4GAS will remain the responsible TSO for capacity marketing and processing of the nomination at the VIP.

***Which tariff will be applied at the VIP Brandov–GASPOOL?***

The price of the VIP Brandov-GASPOOL can be found under the following links for the TSO [GASCADE](#) and [NET4GAS](#) (information only available in Czech).

***What are the effects for capacity contracts, which were booked before the 1 November 2018?***

**GASPOOL**

Capacity contracts booked before 1 November 2018 will continue to be nominated and handled at the relevant IPs at the respective TSO. The shipper will receive continuously the nomination result from the TSO where he has submitted its nomination.

As of 1 November 2018 for IPs establishing the VIP, no new capacity contracts can be concluded anymore at these IPs. Capacity marketing takes place only at the VIP.

Hence, as of 1 November 2018 capacity conversion (based on NC CAM) and capacity upgrades (based on GasNZV) will no longer be possible for existing contracts at the IPs.

Capacity surrender from existing contracts is remarketed at the VIP.

Secondary marketing of existing contracts will still take place at the respective IP.

For the application of Long Term UIOLI for existing contracts, the identification of the congestion will consider all relevant IPs establishing the VIP, while the identification of use and withdrawal will be conducted per IP. The marketing of withdrawn capacity will be done at the VIP.

For the application of Short Term UIOLI for existing contracts, the identification of the renomination-limits will be done per IP, while the marketing of capacities made available will take place at the VIP.

## **Czech Republic**

To provide network users with the full benefits of the VIP, capacity contracts booked before 1 November 2018 can be transferred from IP to the VIP.

Transfer of capacity contracts to the VIP shall:

- simplify capacity contracts' portfolio,
- simplify nomination process and
- enable capacity conversion service with the newly concluded VIP contracts.

Process of contracts' transfer will be described in the Czech Gas Market Rules and NET4GAS Network Code and will be announced in the coming weeks.

Secondary marketing of existing contracts (if not transferred to the VIP) will take place at the respective IP.

All capacities gained by the long-term CMP mechanisms (LTUIOLI, surrender) shall be remarketed at the VIP.

For activation of the short-term CMP, new VIP capacity and capacity of old contracts assigned to IPs which are incorporated in the VIP are considered as a single aggregate capacity.

***What are the effects on the nomination process as of 1 November 2018?***

## **GASPOOL**

Nominations for existing contracts take place at the respective IP, nominations for new contracts at the VIP. Contractual verification of nominations will be done separately at each IP and at the VIP. Afterwards these separate nominations will be aggregated and matched between GASCADE and NET4GAS. Shippers will be obliged to include capacity contracts into separate balancing groups / sub-balancing accounts per IP establishing the VIP at the border between GASPOOL and the Czech Republic.

## **Czech Republic**

Shipper codes for the existing contracts at the Czech side of the border might be affected by the VIP implementation. These existing contracts' holders at IPs will be contacted by NET4GAS to discuss changes needed in their shipper codes and nomination processes.

Current shipper codes should be applicable for new contracts concluded at the Czech VIP Brandov entry point. Nevertheless, shippers shall bear in mind necessity to contact NET4GAS in case of new shipper codes related to respective German balancing groups.

### ***Market communication***

The TSOs establishing the VIP Brandov-GASPOOL offer shippers the opportunity to ask questions in two separate telephone conferences on **19 September 2018 at 2 p.m.** and on **20 September 2018 at 10 a.m.** Questions can be sent upfront the telephone conference to the TSOs.

For the participation in the telephone conference a registration is needed. Shippers are obliged to register until **14 September 2018** at any of the email addresses listed below of involved TSOs.

GASCADE – [kontakt@gascade.de](mailto:kontakt@gascade.de)

ONTRAS – [capacity@ontras.com](mailto:capacity@ontras.com)

NET4GAS – [michal.mares@net4gas.cz](mailto:michal.mares@net4gas.cz)

OGT – [kontakt@opal-gastransport.de](mailto:kontakt@opal-gastransport.de)

The link for the conference call will be sent upfront the conference to the registered shippers.