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Committee on the Implementation of Common Rules on the Transport, Distribution, Supply and Storage of Natural Gas Email: secretariat@efet.org **DG ENER**

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EU Network Code on Gas Balancing in Transmission Systems

Dear Members of the EU Gas Committee

The European Federation of Energy Traders (EFET)¹ strongly supports the development of balancing markets as a fundamental requirement for the successful implementation of the 3rd EU Internal Market Energy Package. The gas balancing network code currently under consideration by Comitology should be an important step in this direction.

There have, however, already been several minor changes that each tend to weaken the move towards sustainable market-based balancing solutions. The original text allowed innovative solutions for market participants (e.g. article 4 - allowing multiple portfolios so that a small market participant could obtain balancing services from another market participant) and guided TSOs away from less market-oriented solutions (e.g. article 9 - allowing the use of long-term balancing services only when shorter-term flexibility was not available). It would be helpful to reverse these changes.

Furthermore, if there are similar changes to the rest of the text, this could put at risk the momentum to implement consistent market-based balancing across Europe. We would therefore urge the EU Gas Committee that if changes to the ENTSOG draft are necessary then please ensure that the delicate balance is upheld between legitimate expectations of network users and TSO concerns about their ability to comply with the new code. If there remains doubt among some Member States on certain technical issues then we would recommend using the transitional period

¹ The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent and liquid wholesale markets, unhindered by national borders or other undue obstacles. EFET currently represents more than 100 energy trading companies, active in over 27 European countries. For more information: www.efet.org.



allowed in the Network Code rather than deviating from the ultimate target model for gas balancing.

We wish you a successful final deliberation on 1st and 2nd October.

Yours sincerely,

Dr Colin Lyle

Chairman of the EFET Gas Committee

CC:

Jan van Aken, Secretary General, EFET Dr Klaus-Dieter Borchardt, Internal Market Director, DG ENER Alberto Pototschnig, Director, ACER