

**Eighth Meeting of the European Gas Regulatory Forum
Madrid, 8th and 9th July 2004**

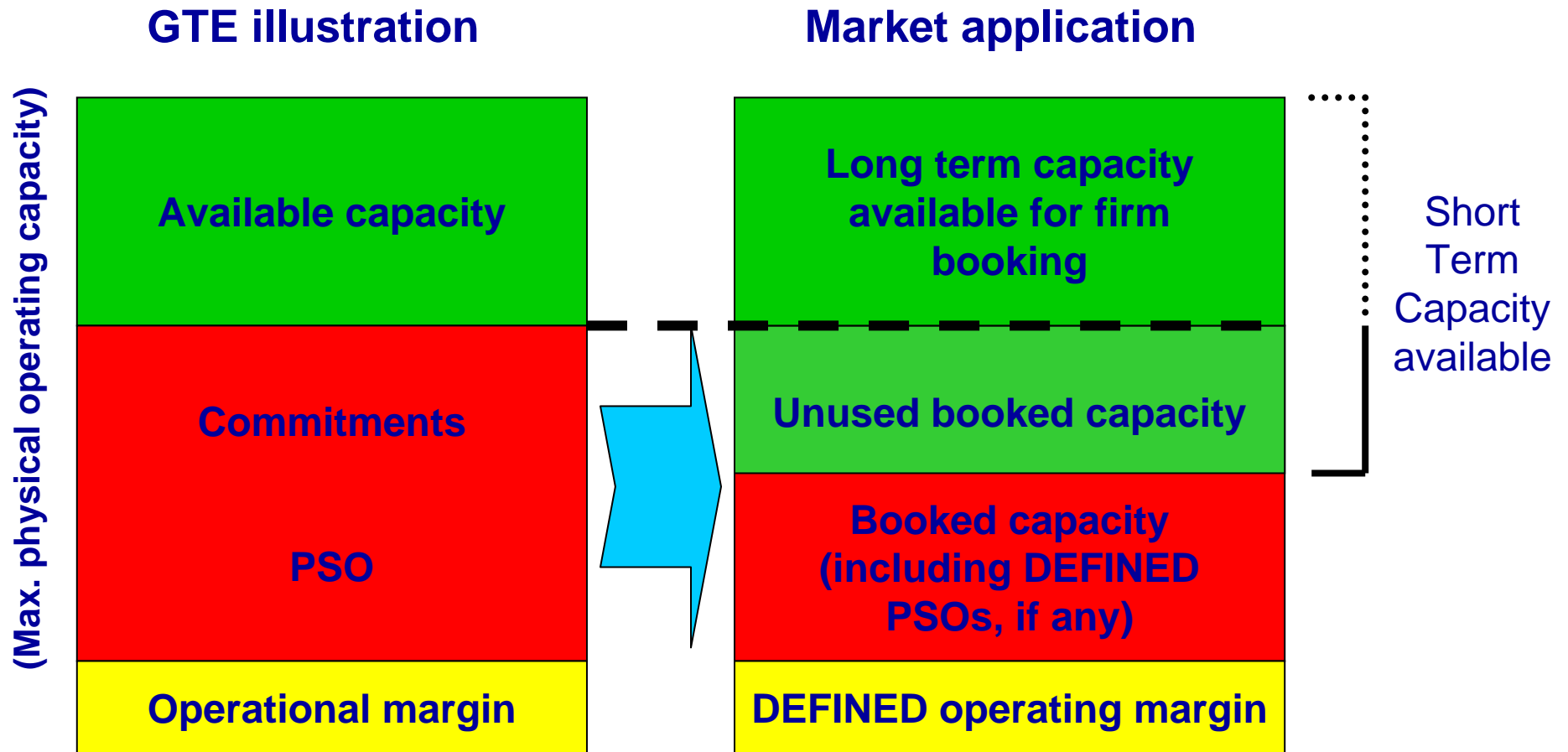
6 Calculation of available capacities

**Comments by the
European Federation of Energy Traders**

Calculation of available capacities

- We agree that **TSOs should be responsible for a transparent process** to assess available capacities.
- Long term available capacity is the unbooked capacity.
- Short term available capacity is the forecast unused capacity.
- **Defined PSOs and Operating Margin** capacities must only be subtracted if not 'double counting'.
- TSOs must co-operate to **agree cross-border capacities**.

Calculation of available capacities



Calculation of available capacities

- **TSOs need to co-operate** in the development and implementation of clear rules.
- To ensure non-discrimination, **TSOs should publish any capacity arrangements** that they have in place.
- For **security of supply**, TSOs must have:
 - Sufficient capacity to deliver gas to consumers
 - Capacity that continues to allow for delivery source uncertainty
 - Arrangements to ensure safe system operation (e.g. back-up).
- Competition changes the risks and will lead to innovation. It does not change the current physical realities. Firm capacity should not reduce & in the long term, it should increase.

Calculation of available capacities: the way forward

- TSOs already assess demand so that they can calculate capacities and manage their networks.
- GTE should provide, to the Madrid Forum, **practical examples** of how TSOs can work together to calculate the available capacity. These examples should include:
 - **the assumptions made**
 - **the key steps** and workings of calculations
 - **3 or 4 results** for major transit lines in Europe.