

EFET Legal Committee endorses Individual PRISMA Gas Capacity Contract

Today, the Legal Committee of the European Federation of Energy Traders (EFET)¹ has endorsed the [Individual PRISMA Gas Capacity Contract](#) for secondary gas capacity trading on the European Capacity platform, which is an important step towards enhancing the functioning of the internal European gas capacity market.

Jan Haizmann, Chair of the EFET Legal Committee, however, observed that ‘the diversity of underlying TSO terms has made the task of establishing this new contract extremely difficult, as it has entailed challenges in finding a balance between potential liability of buyer and seller of capacity in a secondary market.’

In addition, Colin Lyle, Chair of the EFET Gas Committee, warned that ‘trading capacity at Interconnection Points without first ensuring consistent terms in the bundled TSO contracts potentially introduces systemic risks into the EU gas market. The Transmission System Operators urgently need to set out how they are going to make their contractual terms more consistent. Otherwise, a new EU Network Code will be necessary to define a standardized firm capacity contract for bundled capacity throughout the EU transmission systems.’

An EFET Appendix, which would have represented the real progress as far as multiple use documentary cover is concerned, cannot be issued at this stage. The agreed capacity contract has to be signed individually for each transaction.

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