



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ENERGY

Directorate B - Internal Energy Market
Acting Director

Brussels, **04 NOV. 2011**
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ENTSOG
Stephan Kamphues
President
Brussels
Delivered by e-mail

Subject: Invitation to draft a network code on Gas Balancing in Transmission Systems

Dear Mr Kamphues,

On 18 October 2011, the Commission has received from ACER the framework guideline on gas balancing in transmission systems. The Commission has examined the framework guideline in accordance with the criteria laid out in Article 6(4) of Regulation (EC) No. 715/2009. The Commission has found that the framework guideline satisfies those criteria.

In accordance with the conclusions of the latest Madrid Forum, and with the aim of delivering real progress to the European gas market without undue delay, the Commission would like to invite ENTSOG in accordance with Article 6(6) of Regulation (EC) No. 715/2009 to submit a network code which is in line with the framework guideline accompanied by an impact assessment of the network code to ACER by **5 November 2012**.

The network code should be sufficiently specific for immediate application by TSOs and shippers upon its entry into force. It should in particular not require prior determinations or specifications by national regulators. Where the framework guideline leaves room to ENTSOG to exercise discretion, ENTSOG should, when in doubt, interpret this discretion in favour of European harmonisation, rather than individualised solutions on national or regional level.

The Commission believes that an important aspect of ensuring the quality of policy proposals, in particular in a multi stage process such as the network code development process, is to undertake an impact assessment at each respective stage, assessing the issues dealt with. ENTSOG's impact assessment shall thus build on the work done by

ACER¹. It shall focus on the network code development process and address the identification of the problem to be solved, the reasoning for the policy options taken to reach the objectives of the network code and the analysis of their impacts.

A broad involvement of stakeholders in the process of developing the network code on gas balancing in transmission systems is crucial. Therefore the Commission encourages ENTSOG to continue an inclusive process especially by actively involving DSOs .

The Commission services are at your disposal to discuss any questions which may arise, both on process and merits.

Yours sincerely,


Jean-Arnold Vinois

c.c.: Walter Boltz; Alberto Pototschnig; Madrid Forum Participants

¹ ACER will submit a final Impact Assessment to the Commission by 15 December 2011.