

Consultation - Introduction

By virtue of the new Article 21(3) of the CAM NC, ENTSOG has to fulfil new obligations in terms of developing a Capacity Conversion model:

Indeed, Article 21(3) provides that:

“As from 1 January 2018, transmission system operators shall offer network users holding mismatched unbundled capacity at one side of an interconnection point a free-of-charge capacity conversion service. Such a capacity conversion service shall apply to annual, quarterly or monthly capacity products for bundled firm capacity at that interconnection point which the network user had to acquire because insufficient unbundled capacity on the other side of the interconnection point was offered by an adjacent transmission system operator. This service shall be offered on a non-discriminatory basis and shall prevent additional charges from being applied to network users for capacity they already hold. In particular, payments for the part of the contracted bundled capacity which network users already hold as mismatched unbundled capacity shall be limited to a possible auction premium. This service shall be based on the conversion model under development by ENTSOG and to be finalised at the latest by 1 October 2017 after consulting stakeholders and the Agency.”

According to Article 21(3), the obligations of ENTSOG are:

1. Developing a Capacity Conversion model, which allows for a **non-discriminating, free-of-charge** conversion service for **annual, quarterly or monthly firm capacity products**, where network users are holding mismatched unbundled capacity at one side of an interconnection point, and which **prevents additional charges** being applied to Network Users **for capacity they already hold**.
2. The service needs to be **finalised** at the latest by **1 October 2017**.

In a first step, ENTSOG has developed a proposal for a Capacity Conversion model. The model is based on the previous work conducted by ENTSOG in close cooperation with Network Users and the consultation of all Stakeholders, including ACER and National Regulatory Authorities, in 2015. At that time options for voluntary implementation were created for solving the issue arising from mismatched unbundled capacity at one side of an interconnection point, when only bundled capacity is offered at both sides of that interconnection point.

The purpose of this consultation is to seek feedback from stakeholders on ENTSOG's proposal for a Capacity Conversion model, which can be accessed [here](#).

ENTSOG welcomes any feedback regarding the possible amendment of the current proposal.

Stakeholders are asked to please respond to the following questions via an online response form **by 5.00pm (CET) on Friday 5th of May 2017**.

If you have any additional questions or experience, any technical difficulties in completing the online response form please contact Jan Vitovsky: Jan.Vitovsky@entsog.eu or Maria Jost: Maria.Jost@entsog.eu

Consultation - Questions

Stakeholders are invited to indicate their opinion on ENTSOG's Capacity Conversion model.

1. Do you prefer that the **binding** conversion request is sent to the TSO before or after the auction of bundled capacity?

- Before
 After
 No preference

Please indicate the preferred maximum time period within which the conversion request has to be sent before/after the bundled capacity auction:

Field for further remarks

Please note that on a national level the chosen implementation may require a submission of the binding conversion request before the relevant auction of bundled capacity to the TSO.

2. In case you prefer in question 1) "After", would you mind sending a non-binding conversion request before the relevant auction of bundled capacity to the TSO?

- Yes
 No

3. Do you support that ENTSOG's Capacity Conversion model suggests the application of the conversion service to annual, quarterly and monthly capacity products (in line with CAM NC Art 21.3), but further allows also the voluntary offer of the Conversion service for daily capacity products on a national level?

- Yes
 No

Field for further remarks

4. Do you agree with the content of the Conversion request message, which is sent from the Network User to the TSO?

- Yes
 No

What information are you missing?

Field for further remarks

5. Do you agree with the content of the Conversion confirmation message, which is sent from the TSO to the Network User?

- Yes
 No

What information are you missing?

Field for further remarks

6. Do you consider proposed time period for receiving the conversion service confirmation as appropriate?

- Yes
 No

Field for further remarks

7. Do you have further suggestions for the ENTSOG'S Capacity Conversion model?

- Yes

Field for further remarks

- No