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Von: Gesendet:	Freitag, 24. Januar 2020 15:41
An: Cc:	BK7-KAPPlus-Postfach
Betreff:	BnetzA NRA Consultation KAP+ (BK7-19-037)

Please find below CREG's non-confidential opinion as a response to BnetzA KAP+ (BK7-19-037) consultation of the national regulatory authorities of adjacent Member States.

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CREG welcomes the opportunity to state its view on the concept for an oversubscription and buy-back scheme (OSBB) as presented in BnetzA's consultation documents.

As explained in BnetzA's consultation documents, the aim of the KAP+ procedure is to set the conditions under which German gas TSOs will be able to offer and market additional firm capacity in the future single German market area (so-called "Trading Hub Europe").

CREG believes that BnetzA consultation documents are important to improve the understanding of the KAP+ procedure since confusing communication circulates focusing on the serious concern of a 80% reduction of firm entry capacity in Germany as a consequence of the German market merger project. CREG's opinion is based on the information provided in the consultation documents. It would be welcome if BnetzA could provide feedback in the case CREG's opinion shows a lack of understanding.

CREG understands that the consultation addresses the OSBB scheme and not the German market merger project leading to the single German market area. Hence, CREG will focus its view with respect to this scope of the consultation.

As clearly highlighted in the consultation documents, the KAP+ procedure addresses additional firm capacity in the single German market area.

As long as firm capacity offers at interconnection points will not be reduced in the future single German market area compared to the levels currently offered - and since this objective is exactly the aim of the KAP+ procedure as far as CREG understands from the consultation documents - CREG has no fundamental comments within the scope of the current BnetzA consultation.

Though cost recovery is rather not within the scope of the current BnetzA consultation, CREG argues that stable capacity offers at interconnexion points, as actually intended by the KAP+ procedure, should mean stable entry and exit tariffs.

CREG indicates the importance that any OSBB scheme developed according to the European congestion management procedures in the event of contractual congestion (Regulation (EC) No 715/2009), still guarantees that TSOs offer maximum firm capacity to the market and only then OSBB capacity, if necessary.

Since OSBB is a (contractual) congestion management procedure, any congestion has to be justified by the real network capabilities. Moreover, continuing attention is required to assess the nature of congestion and whether it is temporary or structural while considering physical expansion of capacity in order to meet the market requirements in the most efficient way. CREG argues that internal congestion may not be solved by moving congestion to the border. In this sense the KAP+ procedure seems to offer potential solution depending on the effectiveness of the so-called market-based instruments as explained in the consultation documents.

CREG supports the introduction of a test phase as well as monitoring of the KAP+ procedure and is in favour of a flexible approach in order to adjust the KAP+ procedure as soon as firm capacity offers are no able to reach pre-merger levels.

CREG concludes from the provided information in the consultation documents that no negative impacts from the German market merger project in general – and the considered OSBB scheme in particularly – are expected on the German nor European gas market and therefore not on the Belgian/Belux gas market. On the contrary, net benefits are expected by Germany.

These developments in Germany are important for the Belgian/Belux gas market. Therefore, CREG appreciates BnetzA transparency and cooperative approach. CREG expects consultation as soon BnetzA and/or CREG expects possible negative impacts on market access and costs in the Belgian/Belux market area.
