



Press release

Bonn, 23. May 2019

Consultation on increasing the marketable gas capacity on offer in the future single German market area

Firm capacity offer to be increased in time for annual auction in 2020

The Bundesnetzagentur has today launched a procedure to introduce a system to increase the marketable gas capacity in the future single German market area.

Provision of additional capacity

With the procedure, to be known as "KAP+", the Bundesnetzagentur plans to ensure there is much greater capacity on offer in time for the annual auction in 2020, or at the latest by the time the single German market area comes into effect on 1 October 2021.

The aim is to introduce a system in which besides the technical capacity, additional capacity can be marketed (overbooking system pursuant to the Gas Regulation (FernIVO)) and that meets the needs of traders and importers, thereby promoting competition and consumer-friendly prices.

Transmission system operators (TSOs) are therefore called on to develop a joint concept for an overbooking system and to propose it in the course of the procedure. It is expressly intended for this concept to be focused on market-oriented measures.

Merger of market areas will reduce capacity offer

The Bundesnetzagentur is launching this procedure in response to the foreseeable change in the amount of capacity to be offered in the upcoming auction on 1 July 2019 for periods following the merger of the market areas.

For reasons of physics, only a limited amount of firm, freely allocable capacity, which will have significantly expanded usage options in the single German market area, can be provided and secured via the physical network infrastructure. Due to the existing long-term bookings and reservations for the years ahead, either no or only a very small amount of firm entry capacity for the gas year 2021/2022 and beyond will be offered in the upcoming annual auction.



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Background to the merger of the market areas

On 1 October 2021, the two trading points for the German gas market will be merged into one single market area, with the objective of forming one of the most attractive and liquid trading points for natural gas in Europe.

The two current market areas, GASPOOL and NetConnect Germany, have developed dynamically in recent years as the volume of trading has grown continually, particularly on the spot market. They are already among the most liquid natural gas trading points in Europe; a trend that, it is hoped, will continue in the single market area.

Consultation

The launch of the KAP+ procedure (file number BK7-19-037) to increase marketable capacity in the new single German market area has been published at www.bundesnetzagentur.de/BK7-19-037. Stakeholders may submit their comments on the Bundesnetzagentur's proposals until *5 July 2019*. The Ruling Chamber will hold a second consultation on plans for an overbooking system once the TSOs have submitted their concept.

The Bundesnetzagentur is an authority under the responsibility of the Federal Ministry for Economic Affairs and Energy. Its core tasks include supervising the energy, telecommunications, postal and railway markets.

As part of its mandate, the Bundesnetzagentur ensures that as many undertakings as possible can use the infrastructure in these sectors so that consumers benefit from competition and favourable prices.

The authority employs over 2,900 people at its headquarters in Bonn, its other main sites in Mainz and Saarbrücken, and at its 46 regional offices.