



AGGM Austrian Gas Grid Management AG

Integration of GTC AGGM-BGR, Suspension of Intraday MA Balancing

16th CEGH Feedback Workshop

- ▶ Integration of GTC MAM-BGR and GTC DAM-BGR
- ▶ Suspension of Intraday Market Area Balancing in MA East

- ▶ **Integration of GTC MAM-BGR and GTC DAM-BGR**
- ▶ Suspension of Intraday Market Area Balancing in MA East

- ▶ Synergy due to merger of MAM and DAM with respect to AGGM's BGR contracts based on harmonized GTC
- ▶ Facilitated access of transit shippers to storage facilities
 - ▶ The new BGR contract gives the transit shipper the opportunity to use the storage facilities without concluding an additional contract with AGGM as DAM

- ▶ Simplification and reduction of BGR contracts with AGGM
 - ▶ One BGR contract with AGGM based on harmonized GTC AGGM-BGR instead of two BGR contracts with MAM and DAM

- ▶ GTC AGGM-BGR consist of three parts
 - ▶ Part 1: General contractual clauses
 - ▶ Part 2: MAM-related contractual clauses
 - ▶ Part 3: DAM-related contractual clauses

- ▶ Approval of GTC AGGM-BGR
 - ▶ GTC AGGM-BGR are submitted to E-Control for approval
 - ▶ Consultation of GTC AGGM-BGR by E-Control will start soon
 - ▶ Once approved, AGGM will inform BGR of the new GTC AGGM-BGR

▶ New BGR

- ▶ New BGR concludes the new BGR contract with AGGM as part of the BGR registration
- ▶ GTC AGGM-BGR form an integral part of the BGR contract
- ▶ Depending on BGR's authorization, part 3 of the GTC AGGM-BGR is fully or partially applicable
 - FL + VG: part 3 is only partially applicable, in particular storage related provisions
 - FL + VG + EKV: part 3 is fully applicable

▶ Existing BGR

- ▶ Existing BGR contracts remain in place
- ▶ No need to sign a new contract with AGGM
- ▶ New GTC AGGM-BGR form an integral part of the existing BGR contract(s)
 - BGR with an existing BGR-contract with the MAM: parts 1 and 2 apply
 - BGR with existing BGR-contracts with the MAM and the DAM: parts 1, 2 and 3 of GTC AGGM-BGR apply
 - Depending on BGR's authorization, part 3 of the GTC AGGM-BGR is fully or partially applicable, see above

FL ... transmission; VG ... distribution area; EKV ... supply of end consumers

- ▶ The authorization FL is no longer available for new BGR
- ▶ Existing authorizations FL will continue to exist
- ▶ It is not possible to reduce existing authorizations to FL

Adjustment of authorization		Contractual requirements in case of existing BGR
FL	→ FL + VG	New BGR contract with AGGM required
FL	→ FL + VG + EKV	New BGR contract with AGGM required
FL + VG + EKV	→ FL + VG	Termination of the BGR contract with the DAM required
FL + VG + EKV	→ FL	Not possible
FL + VG	→ FL	Not possible

FL ... transmission; VG ... distribution area; EKV ... supply of end consumers

- ▶ Integration of GTC MAM-BGR and GTC DAM-BGR
- ▶ **Suspension of Intraday Market Area Balancing in MA East**

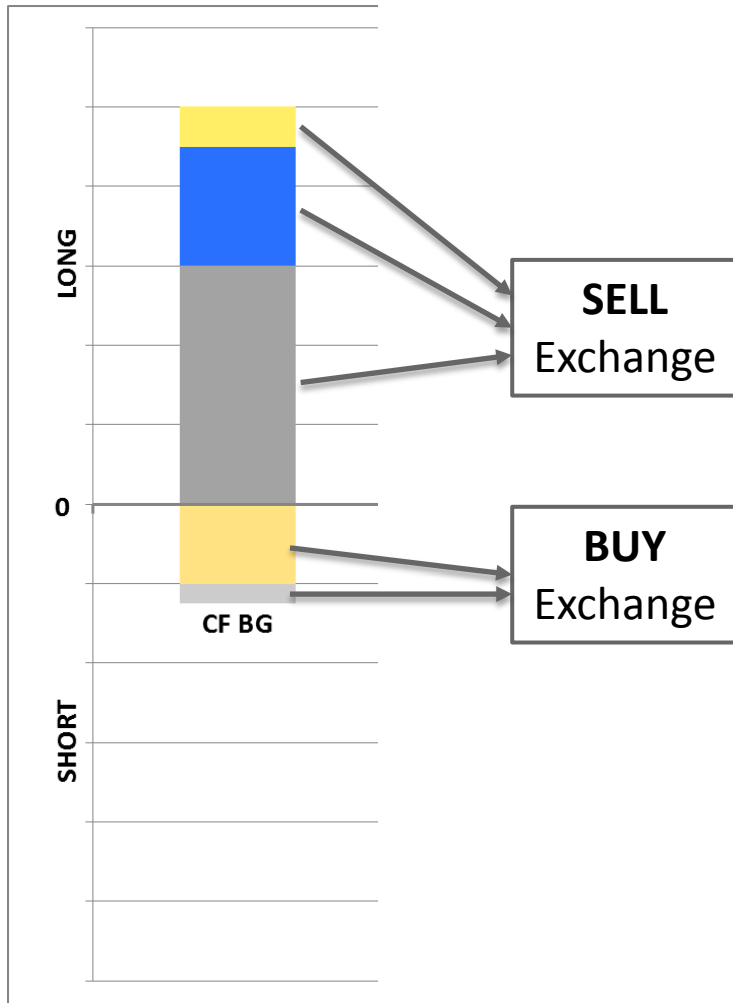
- ▶ Market participants repeatedly expressed the wish to have more time to rebalance their balance groups themselves.
- ▶ Practical experiences of the last years → suspension of intraday market area balancing (within certain limits) would be compatible with the stability of the market area.
- ▶ Alleviation for BGRs regarding the frequency of intraday market area balancing activities (order at the gas exchange in the name and on behalf of the BGR) shall be established.

- ▶ Intraday market area balancing per BG only in case the nominated imbalances of all BGs in total exceed a certain limit (to be defined) of linepack utilisation in the market area at the end of the gas day
- ▶ Introduction of a “cumulated carry forward” (CCF) account and publication on the AGGM platform
 - ▶ CCF equals the net total of all BGs’ carry forward account positions (short & long)
 - ▶ hourly publication of the CCF referring to the end of the gas day
 - also considering day-ahead imbalances as soon as day ahead nomination procedure has started
 - ▶ limit for CCF account to be defined by TSOs TAG and GCA

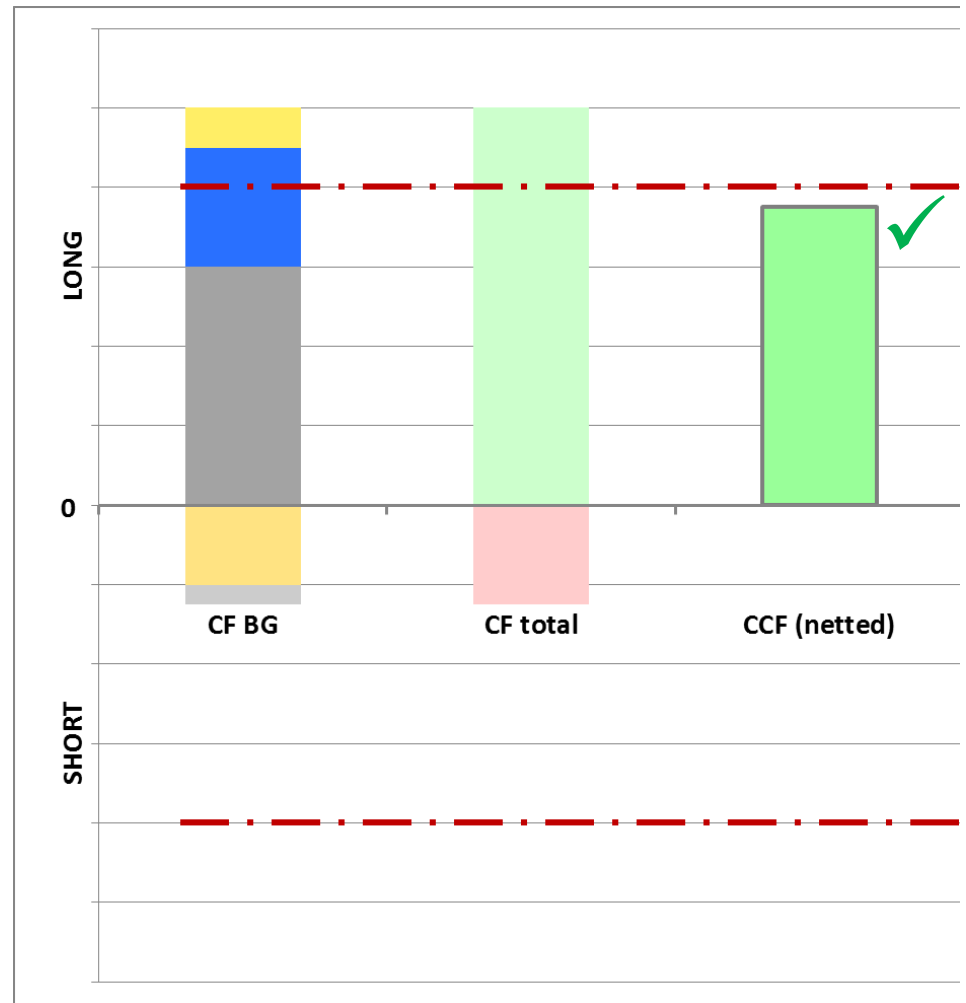
- ▶ New balancing procedure for the market area East in total (monitoring the CCF) established, which enables the existing intraday market area balancing per BG only in case of exceeding the preset limits of the CCF, additionally introducing a causer/helper approach
- ▶ Procedure in detail
 - ▶ CCF account above limit for 2 subsequent hours
 - ▶ intraday market area balancing per BG enabled
 - only for “causers” (imbalance in the same direction as the market area imbalance), not for “helpers” (imbalance in the opposite direction of the market area imbalance)
 - other principles (timeline, 24 MWh limit) unchanged to now
 - ▶ “causing” BGs with a carry forward account position greater than 24 MWh receive Order Info
 - ▶ BGRs can rebalance their position themselves
 - ▶ Remaining imbalances (BGR doesn’t rebalance himself) per BG are compensated by means of orders at the gas exchange in the name and on behalf of the BGR (BGR receives Order Notice)
 - ▶ Once a day at 3:00 a.m. all imbalances per BG (irrespective of the CCF!) are compensated by means of orders at the gas exchange

Procedure (2)

Status quo

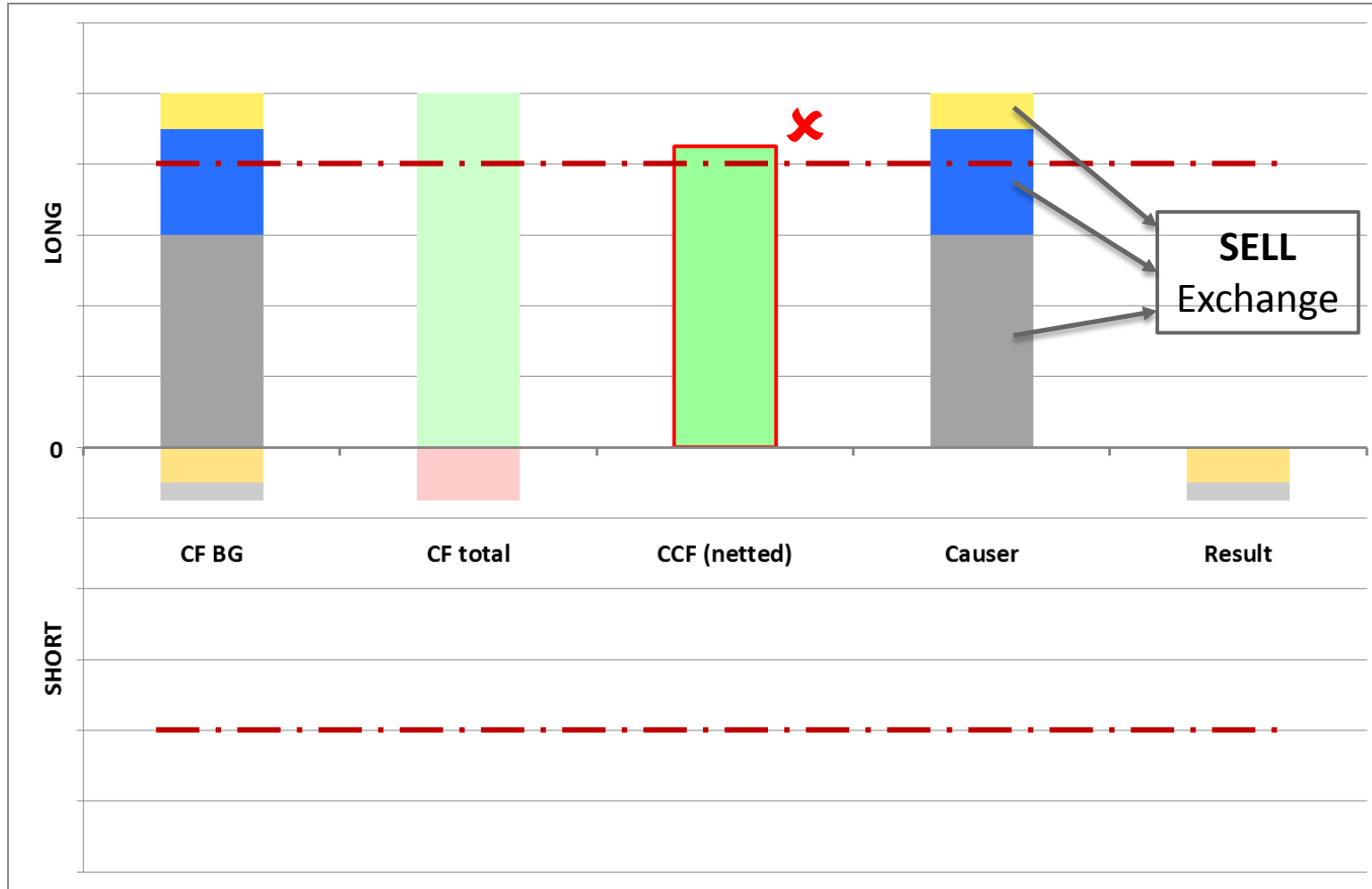


CCF approach (NEW!) – Limit OK



Procedure (3)

CCF approach (NEW!) – Limit Not OK



▶ Improvements

- ▶ BGRs can rebalance significantly higher imbalances of their BGs without pressure of time on an intraday level
- ▶ opposing BG imbalances are netted
- ▶ Publication of CCF account position enables BGRs to monitor the system status and react accordingly.
- ▶ TSOs can restrict the linepack utilisation by setting the CCF limit.

▶ Neutral

- ▶ day-ahead imbalances per BG are still compensated at 3:00 a.m. at the gas exchange, which several BGRs still use “as a service”

▶ Possible risks

- ▶ potentially higher demand for MAM balancing energy
- ▶ linepack utilisation shifted beyond the gas day

- ▶ Definition of the limit for the CCF account in accordance with the TSOs TAG and GCA
- ▶ Implementation of necessary IT adaptations at GCA (in the role of AGGM's service provider for MAM dispatching activities)
- ▶ Detailed presentation of the changes to the BGRs by AGGM in an AGORA meeting or a webAGORA in autumn
- ▶ Planned start of operation: December 2018

BG	Balance Group
BGR	Balance Group Representative
CF	Carry Forward
CCF	Cumulated Carry Forward
DAM	Distribution Area Manager
GTC	General Terms and Conditions
MAM	Market Area Manager
TSO	Transmission System Operator

BGR Contract Types

FL	Fernleitung, i.e. transmission
FL+VG	Fernleitung + Verteilergesamt, i.e. transmission + distribution
FL+VG+EKV	Fernleitung + Verteilergesamt + Endkundenversorgung, i.e. transmission + distribution + supply of consumers and/or biogas injection to the grid

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