

Purpose of this Implementation Plan (IP)

This draft I/PP sets out the views of the RCC on the next steps for the transparency in the light of the outcomes from the Bonn workshop.²

It is crucial that those who have ability to identify problems and solutions and implement changes are given the responsibility and ownership to do so. For transparency that is the market operators (TSOs, storage operators etc) and market participants (shippers, traders, suppliers and customers). These parties will need to drive forward change.

The focus of this I/PP is on identifying real and practicable outputs that lead to change in the way the gas market operates in the North West region.

Organisational structure

Enabler Group (EG)

One EG will be established. Initial applications for the EG were received from:

1. Jonas Tornquist, EDF Trading, chairman EFET Gas Committee Information Group
2. Mr Harmen Kremer, senior business analyst, Gasterra
3. Theo de Waal, Essent

It is proposed that both Mr Tornquist, Mr Kremer and Mr de Waal are made members of the EG. The EG will be chaired by the lead regulator for the transparency workstream (or a representative). The EG will also need to comprise of the lead operator on transparency (Roddy Monroe – Centrica Storage) and 2-3 other market operators. The IG have also identified Oliver Altenhoff (E-ON Gastransport) as a lead operator to focus on transmission transparency.

The EG will be allocated specific tasks as identified in this draft Implementation/Project plan. It will primarily also act as a “sounding board” for ideas developed by the RCC, IG and SG. It will have responsibility for reporting on progress to the RCC, IG, and SG as appropriate.

Given the focus of transparency on gas storage and transmission it is proposed that the work of the EG is managed accordingly in two main workstreams.

Tasks for the transparency workstream³

The following key tasks are proposed for the transparency workstream:

- Development and implementation of Action Plan for transparency for storage and transmission

² See Annex 1

³ It is worth noting that ERGEG is currently working on transparency issues at an EU level. This work focuses on the overall requirements for transparency in the gas market and will take the form of advice to the European Commission. It does not focus on practical based outputs/improvements – which is the main function of the transparency workstream of the North West GRI.

- Consideration of best practice on transparency for storage and transmission to feed into development and implementation of Action Plans
- Development of “guidance” to help improve better application of less than 3 rule and also for publishing information in some form (e.g. aggregated) even when there is less than 3.

The RCC proposes that although transparency across the value chain is important, the areas for potential change which can be delivered by the IG (given its current make-up) are **storage and transmission**. There are a limited number of LNG and interconnector representatives in the IG at this stage so it would be difficult to implement changes in these areas – although this position will be reviewed by the RCC as work progresses.

It is recognised that there is a need to avoid duplication of work on transparency with gas balancing and day-ahead WS where issues of transparency will also be looked at. This will be monitored and coordinated by the RCC.

The purpose of the Action Plans is to develop and set out the **specific proposals for change** that will be made to improve the level of transparency in the **areas of storage and transmission**. The Action Plans should include **details on any initiatives proposed, the responsibility for making changes and a realistic timetable for delivery**. They should also included where possible **quick wins that can be developed as a matter of priority**.

One starting point for the development of the Action Plans should be the **responses to the North West GRI transparency questionnaire**. These are available on the ERGEG website. The **facilitation paper/data appendix** that was made available for the Bonn workshop should also be taken into account. It will also be vital that the **work of the EG on identifying best practice** for transparency is considered. **The views of stakeholders** on the development of proposals to improve transparency will also be a crucial input to the process.

It is also proposed that the EG prepares “guidance” on the application of the less than 3 rule. Market participants have indicated that as currently applied it is hindering market development by restricting transparency. The starting point for this should be **the European Commission’s interpretive note on transparency**. The “guidance” should **include proposals** to improve the application of the less than 3 rule – both in terms of process and decisions; and consider what form information could be published even where there are less than 3 (whilst maintaining commercial confidentiality).

Workplan

The table below sets out the proposed steps to deliver the work on the transparency workstream.

Phase	What	Who	Deadline
Preparatory	Set up Enabler Group	RCC	15 March
	Approve Implementation Plan	RCC	9 March
	Discuss Implementation Plan with IG, EG	RCC	20 March

Phase 1	Identification of best practice for storage and transmission – INITIAL REPORT	EG - STAKEHOLDERS	20 April
	progress update on application of less than 3	EG - STAKEHOLDERS	20 April
	Presentation of initial best practice results	EG - STAKEHOLDERS	23/24 April workshops
	Presentation of progress update/ REPORT on less than 3	EG - STAKEHOLDERS	23/24 April workshops
	Finalise best practice results	EG – STAKEHOLDERS	15 May
	FINALISE REPORT on less than 3	EG – STAKEHOLDERS	15 May
Phase 2	Development of Action Plan for storage and transmission – INITIAL REPORTS ¹	IG – TSOs & SSOs	31 May
	Presentation of Action Plans (INITIAL VERSION) to transparency workshop	IG – TSOs & SSOs	7 June
	Finalise Action Plans	IG – TSOs & SSOs	29 June
Phase 3	Implementation of Action Plans (4 months) ²	IG – TSOs & SSOs	July-August-September-October
Phase 4	Report on Implementation	IG & RCC	November-December

Notes:

1 Ongoing consultation and feedback from the IG to the RCC, EG and SG will be crucial in this stage of the process.

2 Ongoing feedback from IG to RCC on implementation will be crucial in this stage of the process.

Key risks

Key risks to the delivery of the transparency workstream will be:

- Lack of input from RCC, IG, EG and SG
- Possible delays in phase 3 (Implementation of Action Plans)

- **Annex 1 – Outcomes from the Bonn workshop**



Way forward / actions

- **Development of Action Plans to help meet the issues raised by respondents to the questionnaires to improve the level of transparency**
 - What/scope/frequency of information
 - Timeline for making changes etc
 - Assessment of any reasonable costs
 - Potential quick wins
 - Consultation with stakeholders
 - Identify implementation and monitoring process
- **Rule of 3:**
 - Possibility publishing aggregated data
 - Development of code of practice/guidelines for better application of rule of 3
- **Best practice**
 - An inventory of best practice that could be “rolled out” on a wider basis



Who & when

1 week for all to respond to way forward & volunteer for Enabler Group

Action Plan: Who: Market operators. By: (20 April – 1 week before next SG workshop). Consultation. Then finalise.

Less than 3: Who: Enabler Group. By: (20 April – 1 week before next SG workshop). Consultation. Then finalise.

Best practice: Who: Enabler Group. By: (20 April – 1 week before next SG workshop). Consultation. Then finalise.