



SUMMARY

BALTIC PIPE WORKSHOP ON AUCTION PLATFORM

TIME: 2 DECEMBER 2019
PLACE: GAZ-SYSTEM HEADQUARTERS, WARSAW

Participants: PGNiG S.A.
 PGNiG Upstream Norway
 PKN ORLEN
 Grupa LOTOS
 Equinor
 Energy Regulatory Office – observer
 Energinet Gas TSO
 GAZ-SYSTEM

Agenda: The participants had received the agenda (5 question) beforehand:

1. Has your company used one or both of the two considered platforms i.e. PRISMA or GSA Platform and what is your company experience/view on the usage of the platform(s)?
2. Which criteria in terms of usage of the platform are key from your company's point of view and why?
3. What is the preferred data exchange solution for capacity trading processes in communication between your company's back-end system and the capacity booking platform? (Acc. to art. 21 of IO NC there are three data exchange solutions: Interactive, Document based, Integrated)?
4. Which criteria should the two TSOs base their choice of platform on for the common IP from your company's point of view?
5. Which of the two platforms is the preferred platform for the allocation of capacity at the common IP from your company's point of view and why?
6. Other remarks

GAZ-SYSTEM and Energinet did send an email to the registered participants of the workshop on the 27 November 2019. The five questions above were listed. Additional remarks are grouped under point 6 - other remarks. The email had the following introduction:

“European regulation (CAM NC, Article 37) states that “capacity at any single interconnection point or virtual interconnection point shall be offered at not more than one booking platform but a transmission system operator may offer capacity at different interconnection or virtual interconnection points through different booking platforms. ”This means



Energinet
 Tonne Kjærvej 65
 DK-7000 Fredericia
 Tel: +45 70 10 22 44
 Company No. 28 98 06 71

GAZ-SYSTEM S.A.
 ul. Mszczonowska 4
 02-337 Warsaw, Poland
 Tel. +48 22 210 18 00
 www.gaz-system.pl



Co-financed by the European Union
 European Energy Programme for Recovery

that GAZ-SYSTEM and Energinet should agree on a single capacity booking platform at the new, common interconnection point (IP) between Poland and Denmark (capacity of other interconnection points of the involved TSOs will continue to be auctioned on the currently used booking platforms). The TSOs are in a discussion on the choice of capacity booking platform for the new, common IP. As part of this process we appreciate if the shippers are willing to assist with their input, experiences and views.”

As an introductory, GAZ-SYSTEM and Energinet gave an update on the status of the BP project at Polish and Danish side as well as on the overview on the capacity situation after the Open Season procedure, the legal basis for the choice of a booking platform and TSOs decision in question.

The following comments were noted at the workshop to each of the questions:

1. Has your company used one or both of the two considered platforms i.e. PRISMA or GSA Platform and what is your company experience/view on the usage of the platform(s)?

- One of the shippers being a client of an upstream system operator has used only the Gassco platform but its mother company has experience in using both PRISMA and the GSA Platform, and confirmed that there were no problems with using any of those platforms.
- One of the shippers stated that it took part in the ACER consultation for the selection of the platform at PL-DE border where it stated its preference towards the GSA Platform. The shipper's experts indicated the GSA Platform as more efficient solution due to:
 - Efficiency and pick service load;
 - Satisfactory graphical user interface;
 - Interconnectivity – preference for Edig@s and AS4 protocol;
 - Availability in Polish/Polish Interface;
 - The same shipper also highly rates the cost efficiency issue (cost of running the GSA Platform as it is owned by GAZ-SYSTEM is indirectly regulated by Polish NRA).
- One of the shippers uses the Gassco platform, uses PRISMA a lot and is signed for the GSA Platform but does not use it a lot. The shipper stated that it is not that important which platform is chosen out of the two, but the important aspect is availability of a standardised communication with the chosen platform via the preferred edig@s and AS4.
- One of the shippers has experience in using both platforms and the preferred platform is the GSA Platform.
- One of the shippers has experience in using both platforms and would be fine with using either of them, but the GSA Platform is found slightly more intuitive and also the cost issue is preferential.

2. Which criteria in terms of usage of the platform are key from your company's point of view and why?

- One of the shippers enumerated the following GSA Platform criteria as preferable:
 - IT – usage of edig@s and AS4 being compatible with the shipper back-end system;
 - simple process of registration at the platform and electronic transfer of data;
 - user friendliness;
 - cost reflective fees as the platform is operated by the TSO which costs are approved by the NRA via tariffs;
 - competition on the market - the shipper appreciates current multiplatform market where the booking platform compete as at the very end not the TSOs pay for the platforms but the shippers.
- One of the shipper mentioned that the criteria which should be taken into account are cost of the platform usage and the data exchange format solutions;
- One of the shippers stated that in its view PRISMA works fine but standardisation with regard to communication would be welcomed.

3. What is the preferred data exchange solution for capacity trading processes in communication between your company's back-end system and the capacity booking platform? (Acc. to art. 21 of IO NC there are three data exchange solutions: Interactive, Document based, Integrated)?

- GAZ-SYSTEM made an introductory comment that acc. to IO NC the same data exchange solution shall be used. For capacity trading the recommended standard is the interactive, but there are some shippers on the market indicating their preference for the document based standard referring to current issue on FUNC Platform. Currently, PRISMA uses its own solution whereas the GSA Platform uses the edig@s and AS4.
- Two shippers confirmed their preference for edig@s and AS4.

4. Which criteria should the two TSOs base their choice of platform on for the common IP from your company's point of view?

- One of the shippers mentioned that its IT experts indicated also the data security criteria as important;
- One of the shippers summarised the criteria enumerated under previous questions: good connection with shippers back-end system, cost reflectivity of the platform and the NRA supervision of the platform and good communication between the platform and the shipper;
- One of the shippers mentioned IT scalability as some shippers will make only few transactions per year whereas other will use it vastly.

5. Which of the two platforms is the preferred platform for the allocation of capacity at the common IP from your company's point of view and why?

- One of the shippers indicated the GSA Platform as a better solution due to its:
 - IT functionalities which are implemented in better way than on PRISMA and according to its needs,
 - the cost reflectivity and the cost of the GSA Platform being cheaper for the shipper with the NRA's cost governance ensured;
 - the multilingual interface available also in Polish.
- One of the shippers prefers the GSA Platform due to cost aspect, better user friendliness and interconnectivity;
- One of the shippers prefers the GSA Platform due to better user friendliness, safety and lower costs;
- One of the shippers mentioned it knows how to use both PRISMA and the GSA Platform and that both platforms will work thus, it remains rather neutral, however the communication aspect is important.

6. Other remarks:

Introductory part of the workshop

- One of the shippers asked for clarification with regard to the information on the planned date of offering the remaining capacity on DK side (indicated on the slide as July 2022). Energinet stated that the date for offering capacity at Entry from EPII and the new IP between DK and Poland (IP Faxe) does not necessarily have to be the same;
- The shipper asked whether the decision regarding booking platform at entry from EPII is already taken (and final) or Energinet plans to consult it;
- The shipper mentioned that it is interested in the Energinet capacity in a long-term perspective and not only with regard to the capacity at the new DK-PL IP. Hence, it would like to have the opportunity to take part in discussion on the booking platform for the EPII;
- In addition, the shipper mentioned that under the works on the new decarbonisation package a sort of 'super-bundled products' might be introduced which shall be also considered (in a meaning of combination of EPII or Nybro and IP Faxe points);
- Energinet responded that there will be consultation in this regard at a later stage;
- The shipper expressed its willingness to participate in the consultation.

Summary part of the workshop:

- One of the shippers asked for clarification on whether its understanding of the process is correct that the TSOs discuss only the choice of the IP Faxe and the EPII is out of scope. In this regard the shipper mentioned that:
 - It is part of a capital group which under the Open Season booked significant amount of the capacity along the whole path of the Baltic Pipe, hence in the future this shipper might be interested in reallocation of the long-term capacity along the whole path of the Baltic Pipe;
 - In general, the shipper does not have a preference on the booking platform. However, with different booking platform along the whole route the company would need to switch platforms. Thus, the shipper prefers to have the same booking platform along the whole path of the Baltic Pipe;
 - The TSOs should consider this fact when discussing the booking platform for the Baltic Pipe project;
 - The shipper mentioned that it would also raise this issue at the meeting in Ballerup on 5th Dec.