PEGAS Position on the consequences of the introduction of intraday capacity

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Powernext SAS
Introduction

PEGAS welcomes the opportunity, created by the Federal Net Agency (BNetzA), to respond on the report prepared by the German Gas TSOs on the consequences of the introduction of bookings for intraday transport capacity.

PEGAS share the view of the German gas TSOs that the introduction of intraday capacity bookings did not have any negative impact on the balancing system or the fee level of the TSOs.

As it is storable and flexibly controllable, Natural Gas – potentially also blended with Biogas and Hydrogen respectively – may play an important role in successfully concluding the energy transition. For this to happen, short-term capacity bookings need to be economically viable. Therefore, it is our position that costs of intraday capacity bookings should be below those for bookings of an entire day – e.g. in TTF this is the case. In our position papers on the development of the German Gas Market Areas and the revision of the Regulation on Gas Network Access (Gasnetzzugangsverordnung) we outlined this in detail.

In this sense, it is our view that a multiplier of 2.0, as being introduced by 01/01/2020, for the fees for booking of intraday transport capacity is not adequate. By that, the competitiveness of the German Gas Market areas impairs compared to other Gas Market Areas. Further, intraday transport capacity bookings on short notice and short term trading are necessary to unfold the gas market’s flexibility. High fees for intraday capacity bookings, in contrast, hinder the usage of available gas infrastructure (e.g. storage and power plants) on short notice.

In the following we outline our position on the report on the introduction of intraday transport capacity bookings as prepared by the German gas TSOs.
Comments on the introduction within the TSO report

Within the first part of the TSO report, the German gas TSOs outline the advantages and disadvantages of day ahead transport capacity bookings. However, this topic is of high complexity and was not supposed to be subject of the report and therefore should not have been discussed in the underlying report.

Comment on 2.3. – Development of specific level of transportation fees

As stated above, we consider a multiplier of 2.0 for separate booking of Rest-of-the-Day transport capacity inadequate.

However, to evaluate the impact of this multiplier on the TSO fees for gas transportation, PEGAS calls for a special report on the application of a specific fee level for booking of Rest-of-the-Day capacity.
This evaluation should be conducted every other year to – in line with the underlying report.
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