

**Public consultation by the Energy Regulation Commission regarding the tariffs and access conditions to the natural gas transmission networks**

1. Do you agree with the merging of the North H and North L zones on the 1st of April 2013?

**Yes**

2. Do you agree with the total mutualisation of the costs for the conversion of H gas into L gas (basic service only) as from the 1st of April 2011?

**Yes, as long as the socialization/mutualisation of conversion costs are transparent and cost reflective. (Dutch Case).**

3. What lessons do you draw from the results of the network study carried out by GRTgaz and TIGF?

**Since the network study provided and carried out by GRTgaz and TIGF show that there are no significant constraints between the two TSO networks and therefore no capacity destruction, GM&T is therefore of the view that to unify the two networks would be a good way forward and would think it favorable to study schemes that would unify the two network areas in particular in the areas of capacities management and balancing. If a decision is taken to move forward on the unification of the two market areas, the scheme should leave open an option for a possible larger unification at a later stage between the north and south balancing areas.**

4. Are you in favour of decreasing the value of the tariff for the connection between TIGF and South GRTgaz as from the 1st of April 2011, if the creation of a single market place in the south of the territory on the 1st of April 2013 is decided?

**GM&T would be in favour of the reduction in tariff, such a reduction would go further to supporting liquidity in a single south market area.**

5. Are you in favour of the other changes suggested in the tariff structure?

**GM&T would be in favour of the other changes suggested in the tariff structure.**

6. What is your analysis of the intraday flexibility service proposed by GRTgaz?

**GM&T understands that the flexibility requirements of large end-users customers having very large within day flexibility needs creates some constraints on the TSO networks which need to be reflected in connection costs. Therefore the principle of adding specific costs to the connection contract which are reflective of real costs is acceptable**

**Regarding the level of costs proposed by GRTgaz, GM&T understands from the Regulator comments that these costs may not be realistic. The costs need to be looked at in details and be reflective of the real costs face.**

7. Are you in favour of passing on the additional costs related to intraday flexibility to the highly modulated sites via a specific service?

**GM&T understands that the flexibility requirements of large end-users customers having very large within day flexibility needs is creates some constraints on the TSO networks which need to be reflected in connection costs. Therefore the principle of adding specific costs to the connection contract which are reflective of real costs is acceptable**

**But GRTgaz does not provide information about possible implication of that scheme to other existing end users that were not affected by such constraint before. Also the main characteristics of this additional service to the connection contract should tend to be lasting ones, so that it gives visibility to end users.**

8. What do you think of the 0.8 GWh average daily modulated volume threshold proposed by GRTgaz for application of the intraday flexibility service?

**GM&T lack information to comment on this point. GM&T understands from the regulators comments that the franchise, as proposed by GRTgaz, may result in other network users having to bear part of the costs related to the bringing into service of the power plants. If this is the case, GM&T would suggest reevaluating the threshold.**

9. What is your analysis of the intraday flexibility service being considered by CRE?

**Intraday flexibility service cost proposed by CRE seems to be more realistic. However, GM&T lacks the information to comment much more on this point.**

10. Are you in favour of a definition of two distinct services, a firm intraday flexibility service for day-ahead planning and an intraday re-nomination service?

**Broadly speaking, GM&T lack information to comment on this point. Anyhow, splitting the service in two seems to be complex at this stage. Furthermore such scheme should be designed such that it would not create a risk of arbitration for CCGTs operators.**