

Balkan Gas Hub EAD opinion with regard to public discussion on the IGB Network Code

Dear Mr. Ivanov

With regard to *public discussion held on 14.09.2022 on IGB Network Code and its annexes published on EWRC website I present hereby an opinion as follows:*

1. With regard to the text of art. 10.4.1(a) of the Network Code, it should be the following

“10.4.1 Trade Notification at Virtual Trading Point

- (a) A Network User may trade Gas by submitting a Trade Notification to the ICGB in accordance with the Nomination timetable set in Article 13.3. Trade Notification must be submitted to the ICGB by both parties involved in the transaction. **When property transfer transactions are concluded on a trading platform, notifications must be submitted by operator of the trading platform - Balkan Gas Hub”**

Reasons:

The proposed amendment will ensure that the Network Code is in compliance with NATURAL GAS TRADING RULES, namely with Art.11, paragraph 6 stating:

(6) (Amend. SG 99/2016 effective as of 13 December 2016, SG 57/2019 shall apply from the date on which the trading platform becomes operational, but no later than 1 January 2020) NUs and natural gas traders can purchase and sell natural gas using the virtual trading point (VTP) also in order to offset imbalances of their balancing accounts within the gas day. Transactions on the virtual trading point may be concluded on the trading platform. For these transactions the NUs and natural gas traders shall notify the TSO via standard transaction notifications. When transactions are concluded on the trading platform, notifications shall be submitted by the operator of the trading platform.

2. The text of art. 16.1.2 of the Network Code should be the following

“16.1 Commercial balancing according to NC BAL

16.1.1 A Network User shall balance its Nominations at the relevant Interconnection Points through the short-term Capacity Products.

16.1.2 The ICGB shall perform balancing actions by buying and selling short-term Capacity Products on Balkan Gas Hub trading platform. In case the short-term Capacity Products will be inadequate for the purpose of balancing or in case of shortage of Gas market liquidity for maintaining the IGB Pipeline within its operational limits, the ICGB shall enter into appropriate contracts with suppliers of Gas, following an open procedure.”

Reasons:

The proposed amendment will ensure that the Network Code is in compliance with art. 6 §3 and art. 9 – Merit Order where the order, the means, the allowed products and the priority when taking balancing actions are set clearly.