



ENI'S RESPONSE TO ACER PRELIMINARY SCOPING DOCUMENT FOR PUBLIC CONSULTATION ON RULES FOR CAPACITY TRADING

We welcome the opportunity to provide our contribution to the work ACER is carrying out on potential new European rules on capacity trading. Hereafter you can find our comments to the topics identified in your consultation document.

Identified topics

We agree with the topics identified in the consultation document and we also believe that they should be properly addressed in order to improve the functioning of the market. However, we do not foresee the necessity of a specific Network Code on these aspects. Indeed, the issues identified by ACER would be better addressed by the market itself and/or during the implementation of the recently adopted NCs and FGs.

Capacity products and terms and conditions of capacity contracts

The main goal to be pursued is to maximize the offer of firm transmission capacity with no firmness and allocability restrictions. However, we recognize that in some cases the peculiarity of specific transmission systems has determined the necessity to evaluate trade-offs between the need to offer as much as possible firm capacity and the implications in terms of quality of the capacity product. Therefore we support the idea of a standard capacity contract to be used throughout the European systems as long as this does not negatively impact the amount of firm capacity to be offered. Furthermore, we believe it is sufficient to define these standard products in non binding guidelines without the need of implementing a new network code.

Concerning the issue of bundled products we see the risk that different capacity contracts might hamper the effectiveness of the implementation of the provision. However, on this topic our main concern, that should be addressed as a priority, is that the bundling concept is creating obstacles for parties that hold existing contracts for unbundled entry and or exit capacity, when they would like to increase capacity (either bundled or unbundled).

Q2: We agree on the importance of the identified features, but they are already addressed by other regulation.



Q3: We do not think that certain user categories have specific requirements regarding capacity products.

Q4: We experienced different levels of product firmness and allocation restrictions (e.g. different level of interruptible capacities being offered by Snam, interruptible capacity of 1st and 2nd level, seasonal interruptible, or in Germany, FZK, BFZK, BZK, DZK).

Q5: In relation to local situation, we did not experienced cases where different types of product features were barriers for cross-bording trading.

Q7a: We believe that the benefit of a single standard contract established at EU level does not outweighs the costs of its implementation due to the variety of private law regimes across EU.

Q8: At EU 28 level, there is at some locations still need of standardization of certain clauses in capacity contracts.

Q9: It is important to have different products (firm with limited restrictions and interruptible), in order to maximize use of physical capacities, but firm products with limited restrictions are preferable.

Secondary capacity markets

Q14: Existing rules are enough to stimulate secondary trading in Europe, we do not see the need for new rules.

Q15: Fully anonymised secondary capacity markets (including third-party clearing) are always welcome (if they are in addition to bilateral trading).

Q16: We do not see the need to harmonise the handling of secondary capacity transfers to the primary market with reference to e.g. contract durations, handling etc.: the market will take care of it.

Q18: The most efficient way of secondary trading of capacity is to keep the current regime as is (e.g. Many options, venues, etc.).

Q19: Rules on the reporting of transactions to the regulator (not public) should be introduced as additional transparency rules for secondary trading.

Q20: Non-binding guidance should address the above issues.

Virtual trading point design/access and hub issues

On this topic we do not see the need for further regulatory intervention.



Q22: The fees constitute a barrier to trade. It would be better to socialize it across consumers.

Q23: Non-standardised formats do not represent a barrier for cross-border trading.

Q24: There is no need for the establishment of organised market places at hubs trading platform (via VTPs) yet.

Q25: Non-binding guidance should address the above issues.

Transparency rules

The Third Energy Package already provides binding transparency rules for Transmission System Operators and we believe that prior to evaluating the possibility of further intervention, the European institutions should make sure that these rules are correctly implemented. That this is not always the case was demonstrated by ACER in its recent CMP monitoring report.

Therefore we do not foresee the need of further regulation on this topic.

Q28: More information on the condition(s) for interruption of a capacity service and/or its probability could be useful. For example, the actual availability of the link N-S has been proved to be difficult to predict in the past.

Licensing requirements for market participants other than TSOs

We share the view that different licensing requirements across European systems constitute an unnecessary burden to network users. Instead of introducing new rules on licensing requirements, we would prefer a situation where licenses granted in one Member State are mutually acceptable in all Member States.

Q31: We do not see problems with regard to different licensing requirements in the EU: European passport should indeed be enough.

In general, cost of guarantees and unharmonized NCs are generating the discrepancies. Harmonization, through the new EU NCs, is the first priority.