

E-Control
Rudolfplatz 13a
1010 Vienna, Austria

25 October 2019

Subject: EFET¹ response to E-Control consultation on the future form of the Austrian gas balancing framework

EFET welcomes the opportunity to comment on the conclusions from the stakeholder process on redesigning the Austrian gas balancing model and appreciates that the document has been provided in English as well. While we generally applaud the openness of the process, we regret to note that our main concern, that we have raised both during the stakeholder workshops in our letter of [October 2018](#), was not properly addressed.

We would like to reiterate that the decision on retaining Within-Day-Obligations (WDOs) was not properly justified. This decision was arbitrarily imposed on the stakeholders and the decision to keep them under the new balancing regime was done before the workshops have started. We find this decision particularly damaging since the new model envisages granting certain imbalance tolerances for certain system users and a relatively large small adjustment, inflating the costs of balancing the network even further.

We also take this opportunity to highlight that some of the late changes to the GMMO-VO were not discussed before with the market participants e.g. the renominations restriction under art. 16. While this solution is to allegedly increase the day-ahead capacities on offer, we believe that such readjustment should be discussed more in detail and outside the changes scope of the discussion around the future balancing framework.

EFET appreciates the efforts to integrate the Austrian balancing market and make it compliant with EU Network Code on Gas Network Balancing, yet we have seen no compelling evidence of a need for maintaining WDOs in the system. We find such solution particularly counterproductive given that the transit pipeline passing through the territory of Austria could provide ample flexibility to the system operator at times of gas shortages as broadly demonstrated by the studies shared during the consultation process. More importantly though, we believe that the Austrian gas market is sufficiently mature to rely on market-based balancing exclusively. Instead of assuming a need for tolerances and WDOs for 2021 already, EFET encourages a trial period, during which the responsibility for balancing the gas system is moved onto the market participants in the first instance, where balancing discipline is enforced through

¹ The European Federation of Energy Traders (EFET) promotes competition, transparency and open access in the European energy sector. We build trust in power and gas markets across Europe, so that they may underpin a sustainable and secure energy supply and a competitive economy. We currently represent more than 100 energy trading companies, active in over 27 European countries. For more information: www.efet.org.

undistorted price signals on the market. TSO would retain the right to interfere with the market, if the system moves away from the safety margins.

Kind Regards,
On behalf of EFET TF CSEE-G

A handwritten signature in black ink, appearing to read 'Davide Rubini', with a stylized, flowing script.

Davide Rubini,
Chairman of EFET TF CSEE-G