
**Guidelines for the implementation
of the CNDP 2018
and in particular for submission
of projects that are part of
the CNDP 2018 pursuant to
sections 62 et sqq. of the
Austrian *Gaswirtschaftsgesetz*
(Natural Gas Act) 2011**



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(E-Control)**

Energie-Control Austria
Rudolfsplatz 13a, A-1010 Vienna
Tel.: +43 1 24 7 24-0
Fax: +43 1 24 7 24-900
E-mail: office@e-control.at
www.e-control.at
Twitter: www.twitter.com/energiecontrol
Facebook: www.facebook.com/energie.control

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Introduction

Sections 62 to 65 of the Austrian *Gaswirtschaftsgesetz* (Natural Gas Act) 2011¹ contain obligations relevant for drafting the Coordinated Network Development Plan (CNDP) for Austria as well as the respective network development plans (NDPs)². Based on these provisions and on the preparation, submission and approval practices of past CNDPs, the regulatory authority (E-Control) has, in co-operation with transmission system operators (TSOs) and the market area manager (MAM), drafted guidelines outlining important requirements for the assessment of projects that are part of the CNDP 2018 pursuant to sections 62 et seq. Natural Gas Act 2011. These guidelines, aiming to foster efficient and transparent procedures, serve as the basis for submitting projects for the CNDP 2018 and should be used in this process. For future processes, the guidelines can be adapted and further developed upon a respective request by and through a coordinated effort by MAM/TSO/E-Control.

To assess whether the requirements for approval pursuant to sections 62 et seq. Natural Gas Act 2011 have been met, detailed technical and commercial data are required in addition to the information contained in the CNDP's project data sheets, which also complies with previous practice. This additional information should be included in the CNDP in confidential attachments³ to the individual projects. The data required for assessing projects are stated in the annex.

The present guidelines do not affect the rights of the regulatory authority and the obligations of the TSOs or the MAM outlined in sections 62 et seq. Natural Gas Act 2011 in any way. This particularly concerns the TSOs' obligation to adjust their network development plan at any time upon request by the regulatory authority if such a plan has already been submitted but not approved (section 64 para. 5 Natural Gas Act 2011).

In the framework of establishing the CNDP, Austrian Gas Grid Management AG (AGGM) usually acts as MAM. Cases in which AGGM does not act as MAM will be pointed out.

¹ Federal Law Gazette I No. 107/2001, as amended.

² In the present document, the abbreviation 'CNDP' is used to improve readability.

³ The confidential attachments to the respective network development plans of the TSOs contain sensitive information regarding business and trade secrets of the TSOs that have, so far, been provided for the sole purpose of meeting the requirements for approval of the network development plans by E-Control pursuant to section 64 Natural Gas Act 2011.

Projects in the CNDP

Project categories

Projects in the CNDP are divided into five project categories, which reflect the approval procedure.

Figure 1: Project categories

	New projects	Projects in the current CNDP
Projects in the previous CNDP	projects approved and in progress without modifications	
	projects approved and in progress with modifications	
	Withdrawn projects	
	Completed projects	

New projects

New projects are projects that are submitted for approval in the current CNDP for the first time.

Projects approved and in progress without modifications

This category comprises projects that have been submitted and approved in previous CNDPs and are developed without any substantial modifications.

Projects that have not been substantially modified do not have to be re-submitted for approval but are subject to monitoring. The progress made in these projects as well as changes should be depicted in the project data sheets and confidential attachments. For projects aiming to create new capacities, monitoring is also part of the running text of the CNDP.

Projects approved and in progress with modifications

Pursuant to section 64 para. 1 Natural Gas Act 2011, approval is granted based on proof to be submitted by the TSO showing that the investments in the plan are necessary for technical reasons, adequate and economically efficient. In the event of substantial changes to this proof and the underlying data, the project modifications shall be submitted by the TSOs, and the project has to be re-evaluated pursuant to section 64 Natural Gas Act 2011 by E-Control as a matter of principle.

If the authority does not approve a re-submitted project due to its modifications, the most recent valid project approval of the respective official decision regarding the CNDP remains in effect.

To ensure efficient project implementation by the TSOs and that the CNDP contains the information outlined in section 63 Natural Gas Act 2011, project modifications have to be submitted for approval whenever any of the following prerequisites applies (substantial project modifications):

- (1) The project's volume and/or scope has changed.
- (2) The commissioning date is re-scheduled in a way that it will occur in the following gas or storage year and/or that it triggers a respective delay in the implementation of related projects.
- (3) The planned investment costs have increased substantially, i.e. by more than 10% in comparison to the last valid granted approval.
- (4) The project type is changed (e.g. a capacity-relevant planning project is changed into a capacity-relevant project; also see chapter 'Projects creating additional capacities').

If a project is re-submitted, the reasons for the modifications must be stated.

Withdrawn projects

Projects whose further planning or implementation is not scheduled within the period under review of the current CNDP (minimum of ten years) and to which Article 3(6) of Regulation (EU) No 347/2013 ('PCI projects') does not apply⁴ should be withdrawn by the TSOs, providing a reason for the withdrawal to the authority.

Once the withdrawal has been approved, withdrawn projects are no longer part of the current CNDP. The reason for the withdrawal should be stated in the running text of the CNDP.

Completed projects

This category comprises projects that have been put into operation by the submission deadline for the current CNDP.

⁴ Projects that are among the projects of common interest
<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02013R0347-20140110&from=EN>

The date for putting into operation should be stated in the monitoring text of the CNDP. Furthermore, the authority should be informed about the overall investment sum (actual costs).

Following final monitoring, completed projects are no longer listed in future CNDPs.

Project types

The Austrian *Gaswirtschaftsgesetz* (Natural Gas Act) 2011, and consequently the approval by the authority, does not distinguish the submitted projects according to their objectives (e.g. creation of additional capacities, replacement of existing infrastructure, etc.). However, to improve the transparency of the TSOs' plans, a distinction of project types has been introduced in the CNDP. Furthermore, project types are also treated differently within the CNDP. See the annex for further information.

Projects creating additional capacities

Planning projects creating additional capacities

Planning projects are projects in an early planning stage aiming to create additional capacities. The technical design, the economic optimisation and the marketing modalities have not yet been finalised. It is not (yet) possible to assess their costs and the additional capacities to be created with a sufficient degree of precision. The cost estimate's range should reflect the project's planning stage.

The main purpose for including such projects in the CNDP is to keep market participants as defined in section 63 para. 3 item 1 Natural Gas Act 2011 informed. For projects in such an early planning stage, an inclusion of expenses in the allowed costs pursuant to section 64 para. 4 Natural Gas Act 2011 is only permissible with regard to costs directly related to planning as it is not yet clear whether these projects will be realised. Depending on their stage, these projects require less detailed confidential attachments.

Projects which have been approved as planning projects creating additional capacities have to be re-submitted as full 'projects' before their implementation.

Projects creating additional capacities

Projects creating additional capacities are projects in an advanced planning stage (e.g. detailed planning has been completed, approval procedures have been started, a feasibility study has been carried out). They can be sub-divided into the following groups:

- a. Projects that require an economic test pursuant to Article 22 in conjunction with Article 24 of Regulation (EU) 2017/459 ('CAM NC'):

These are projects whose costs are entirely or partially assigned to one or several interconnection point(s) (IP). These projects should only be implemented if the economic test pursuant to Article 22 in conjunction with Article 24 CAM NC has a positive result.
- b. Complementary projects:

These are projects that must be realised to allow a project listed under item a. to entirely fulfil its function. Such projects can only be implemented if the corresponding project listed under item a. has received a positive result on the economic test pursuant to Article 22 in conjunction with Article 24 CAM NC.

Once approved, these projects should be implemented when the related upstream project or the corresponding project fulfils the conditions for being implemented.
- c. Projects that do not require an economic test:

These are projects that neither fit item a. nor item b. and are not re-investment projects either but which are still capacity-relevant projects with regard to their intended function and purpose (e.g. increasing the flexibility of access to the virtual trading point, fostering freely allocable capacities with regard to security of supply and transit (increase in the redundancy of freely allocable capacity), etc.).

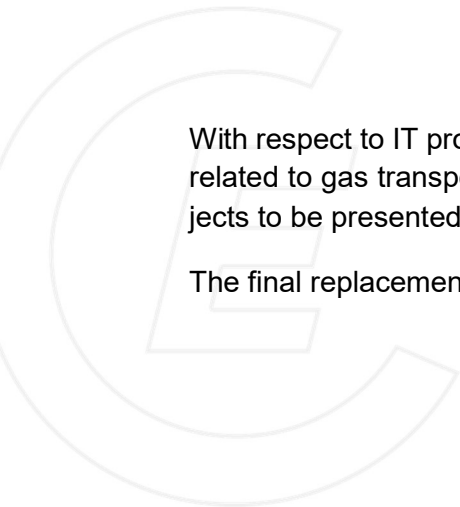
These projects require confidential attachments. The cost estimate's range should reflect the project's planning stage.

Re-investment projects

In keeping with the CNDP's purpose, also re-investments that concern important existing infrastructure pursuant to section 63 para. 3 item 1 Natural Gas Act 2011 and guarantee safe, reliable and effective operations must be included in the CNDP. Also re-investments can contribute to the goals of meeting capacity demand to final consumers and achieving a high degree of availability in system capacities (security of supply) (e.g. exchange of compressor units or revamping line sections).

To coordinate the submission of replacement investment projects, TSOs provide a list of replacement investment projects to the authority and explain the various projects. This list comprises projects with an investment volume of more than € 500,000 whose implementation will be kicked off within the next three years. Projects from this list should be selected for submission and coordinated with the authority. Particularly projects for which the start of implementation is scheduled before the end of the subsequent calendar year should be submitted.

These projects require confidential attachments. The cost estimate's range should reflect the project's planning stage.



With respect to IT projects and projects regarding the construction of buildings that are not directly related to gas transport, TSOs can decide whether or not to include them in the CNDP list of projects to be presented to E-Control.

The final replacement investment list is presented to the MAM by the TSOs.

Procedures for the various project categories in the CNDP

<i>Project category</i>	<i>Monitoring in the running text</i>	<i>Project data sheet</i>	<i>Confidential attachment</i>	<i>To be submitted for approval</i>	<i>Part of the current CNDP if approved</i>	
New projects	no	yes	yes	yes	yes	Projects in the current CNDP
Projects in the previous CNDP projects approved and in progress without modifications	yes ¹⁾	yes	yes	no	yes	
Projects in the previous CNDP projects approved and in progress with modifications	yes ¹⁾	yes	yes	yes	yes	
Withdrawn projects	yes	no	no	yes	no	
Completed projects	yes	no	no	no	no	

¹⁾ Monitoring of replacement investment projects is part of the confidential attachments.

Monitoring in the running text

Progress reports of all approved projects creating additional capacities from the last CNDP are part of the running text (monitoring). The aim is to report about completed relevant work, decisions, results of marketing activities and relevant developments on the European level and the European setting (TYNDP, GRIPs, etc.) with regard to these projects.

For all projects approved in the last CNDP, monitoring is part of the running text. Particularly the completion date of these projects should be stated.

For all projects approved in the last CNDP that have been withdrawn, monitoring is part of the running text. Particularly the reason for the withdrawal of these projects should be stated.

Project data sheets for publication

Project data sheets have to be drawn up or amended for all project categories except for completed or withdrawn projects.

Project data sheets should be clearly structured and are a component of the CNDP's public part.

Project data sheets should be adapted according to project category and project type pursuant to the table in the annex.

Providing confidential data to E-Control

Confidential attachments containing confidential data to be provided to E-Control must be drawn up for all project categories with the exception of completed and withdrawn projects. These attachments must be submitted and explained to the regulatory authority.

Confidential attachments should be adapted and drawn up according to the project category and project type pursuant to the table in the annex.

Depending on their stage, planning projects creating additional capacities require less detailed confidential attachments. This also depends on data availability.

Projects that must be submitted for approval

All projects of the project categories

- new projects,
- projects approved in progress with modifications, and
- withdrawn projects

must be submitted to the regulatory authority for approval.

Projects in the current CNDP

Projects in the current CNDP include:

- New projects that have been approved by E-Control
- Projects of the 'projects approved and in progress without modifications' category
- Projects of the 'projects approved and in progress with modifications' category in their most recent form, provided that they have been approved by E-Control. If the authority does not approve a re-submitted project due to its modifications, the most recent valid project approval of the respective official decision regarding the CNDP remains in effect.
- Once the withdrawal has been approved, withdrawn projects are no longer part of the current CNDP.

Completed projects are no longer included in the current CNDP.



Time frame for the CNDP 2018

Milestones

Austrian Gas Infrastructure Development Day (AGIDD)	16 October 2018
Submission by the TSOs	23 November 2018
Issue of official decision.....	21 December 2018

Annex

Contents of project data sheets: project category view

	New projects	Projects approved and in progress with modifications			projects approved in progress without modifications
		Technical change	Change of time frame	Change of costs	
Project number	x				
Project name	x				
Project owner	x				
Edition	x	update	update	update	
Date	x	update	update	update	update
Project type (planning project, project, re-investment)	x	update	update	update	
Project pursuant to CAM NC (incremental)	x				
Project stage/status	x	update as necessary	update as necessary	update as necessary	update as necessary
Scheduled completion date or implementation time frame (for projects with economic test or planning projects)	x		update		update as necessary
Project objective/rationale	x	update			
Connection with other projects	x	update as necessary	update as necessary	update as necessary	
Overview map	x	update as necessary			
Project description: technical data on technical measures	x	update			

Contents of project data sheets: project category view (continued)

	New projects	Projects approved and in progress with modifications			projects approved in progress without modifications
		Technical change	Change of time frame	Change of costs	
Technical data: new or additionally created capacity in the respective flow direction where relevant	x	update			update as necessary
Capacity effects (increases) regarding existing capacities at other IPs/junctions	x	update as necessary			update as necessary
Cost estimate for incremental projects (data from consultations – project proposals)	link to respective project website if already published in the framework of chapter V of the Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems	update	update	update	
TYNDP/GRIP status and name	x	update as necessary	update as necessary	update as necessary	update as necessary
PCI status and name in current PCI list	x	update as necessary	update as necessary	update as necessary	update as necessary
CBCA decision	x	update as necessary	update as necessary	update as necessary	update as necessary
Detrimental effects on availability of existing capacities	insert link to maintenance planning on the TSOs' website and CNDP name		update as necessary		update as necessary
Changes with regard to the previous version of the project data sheet, history of changes	x	update as necessary	update as necessary	update as necessary	update as necessary

Providing data in the confidential attachments for submission to E-Control

Confidential attachments containing confidential data to be provided to E-Control must be drawn up for all project categories with the exception of completed and withdrawn projects. These attachments must be submitted and explained to the regulatory authority.

The following instructions regarding the provision of data in the confidential attachments are an exhaustive list of data that can be submitted in the various project categories and types. Some of these data might not be applicable for planning projects, and thus respective fields can be left blank.

a) Project data sheets

b) Technical description

- Project objective: for both flow directions where relevant: capacity rate, flow rate and pressure
- Current situation, data on capacity and pressure and (if available) hydraulic simulation in both flow directions
- If available: results of hydraulic simulation as basis of project planning and discussion of the project's impact on pressure ratios in the grid
- Project rationale (need for additional capacity, related precursory projects, end of technical service life, etc.)
- If available: detailed location map
- Data on technical components: diameter, length, pressure levels, number of valve stations, delivery pressures at interconnections
- If relevant: estimate of detrimental effects on availability of capacities (impact on IPs, quantity, time in days)

c) Time frame

- Project timetable (indicative implementation dates of individual project phases)
- Project status (state the project phase)
- In the event of delays:
 - Detailed explanation of reasons for delay in the timing
 - Impact on related projects and capacities
 - Deduction of necessary measures to offset potentially arising congestions
- For complementary projects: impact on time frame of related precursory project

d) Estimate of costs

- Investment cost (CAPEX) per construction module and standard cost categories (e.g. set-up costs, material, engineering, construction (building construction and civil engineering, mechanical and electrical components), liquidation, contingencies & allowances)
- Investment cost plan (CAPEX) (time frame of cost allocation per project phase and year)
- If relevant: estimate of operating costs (OPEX) (p.a.) (in the case of re-investments, state the estimated changes in the OPEX)
- Precision of cost estimate
- Detailed explanations regarding the reasons for a cost increase in the event that a project modification has to be re-submitted due to this cost increase according to the criteria defined in chapter 'projects approved and in progress with modifications'.

e) Description of the optimisation

- Description of the surveys on technical and commercial optimisations that were carried out in the course of project planning
 - Comparison with alternative plans (e.g. new compressor station compared to new pipeline), comparison of overall costs (CAPEX and OPEX)
 - And additionally, for projects with economic test:
 - Optimisation through stages of expansion and capacity offer levels
 - Cross-border optimisation with neighbouring TSOs (e.g. agreement regarding delivery pressure). If a cross-border optimisation cannot be realised, the reasons for this should be stated.