



European Federation of Energy Traders

Implementation of a common EU Gas Day

**Ofgem Workshop
11 September 2013, London**



IMPLEMENTATION OF A COMMON GAS DAY

Structure of this presentation



Contents:

- The role of EFET
- Common Gas Day

EFET Vision

We foresee sustainable energy markets throughout Europe,
in which traders efficiently intermediate in the value chain
on the basis of clear wholesale price signals,
thereby optimising supply and demand
and enhancing security of supply,
to the overall long-term benefit of the economy and of society.

The role of EFET

The voice of energy traders in Europe



“The EFET mission involves improving conditions for energy trading in Europe and fostering the development of an open, liquid and transparent European wholesale energy market”

Through better:

- Information transparency
 - Data exchange
 - Products and procedures
 - Laws
 - Regulation
 - Taxation
 - European Contracts
 - Organised market
- Advocacy for liberalised markets
 - Promotion of energy trading in Europe
 - Standardisation of contracts

The role of EFET

Our Membership



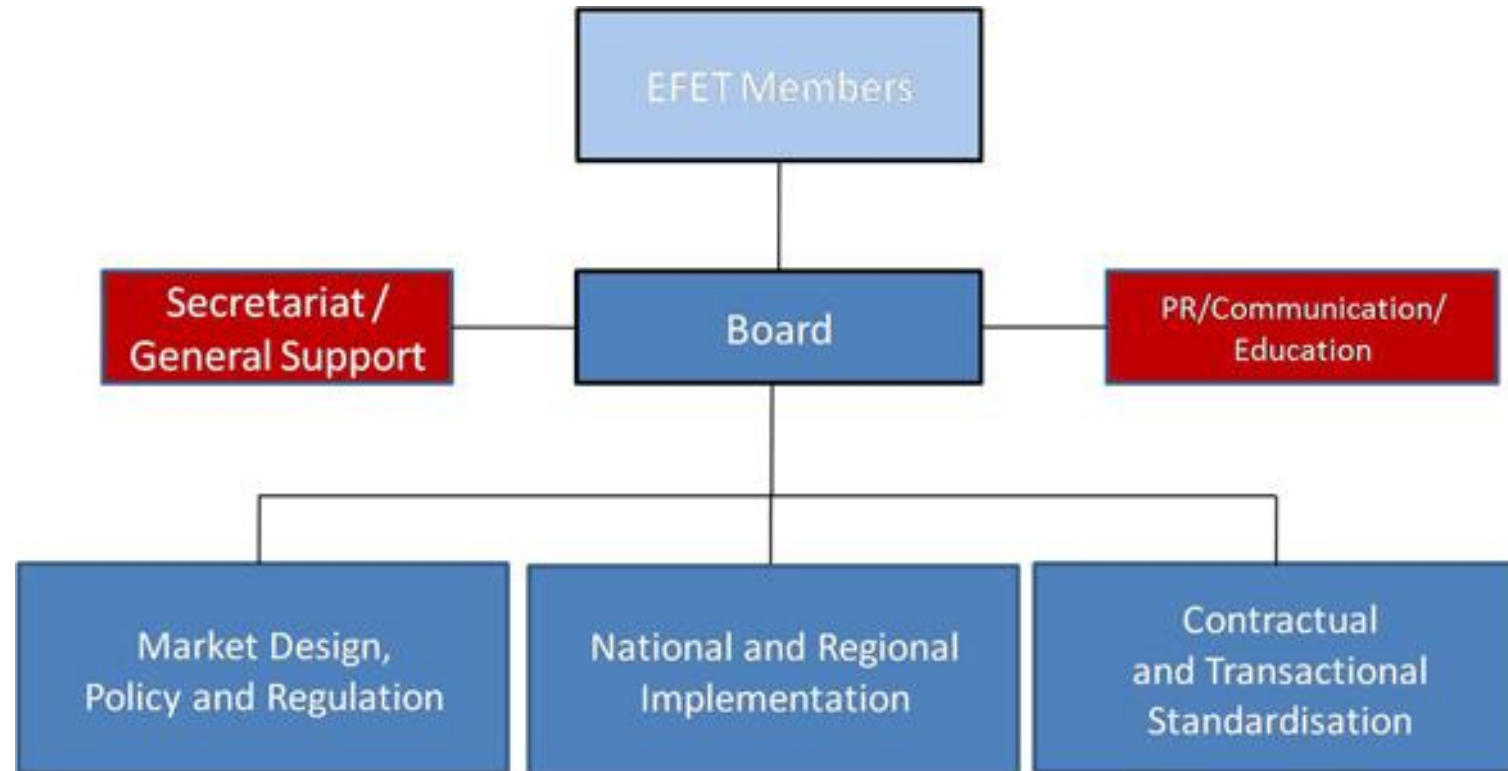
The role of EFET

Our Membership continues to grow



The role of EFET

Activities & Organisation



For more information visit: www.EFET.org

The role of EFET

Focus of the Gas Committee & sub-groups



EFET Board

Market Design (x commodity) Local/Regional implementation (priorities towards an EU market) Standardisation (processes & contracts)

Electricity Committee

EFET Gas Committee

Relationship management & policy approval.
Gas market design & integration
Supply security, Storage

EFET-D German Task Force Gas

Market Supervision Committee

National & Regional Groups

Hub Development

Capacity

Market-based Balancing

Information

LNG

Improved services at existing and new trading locations

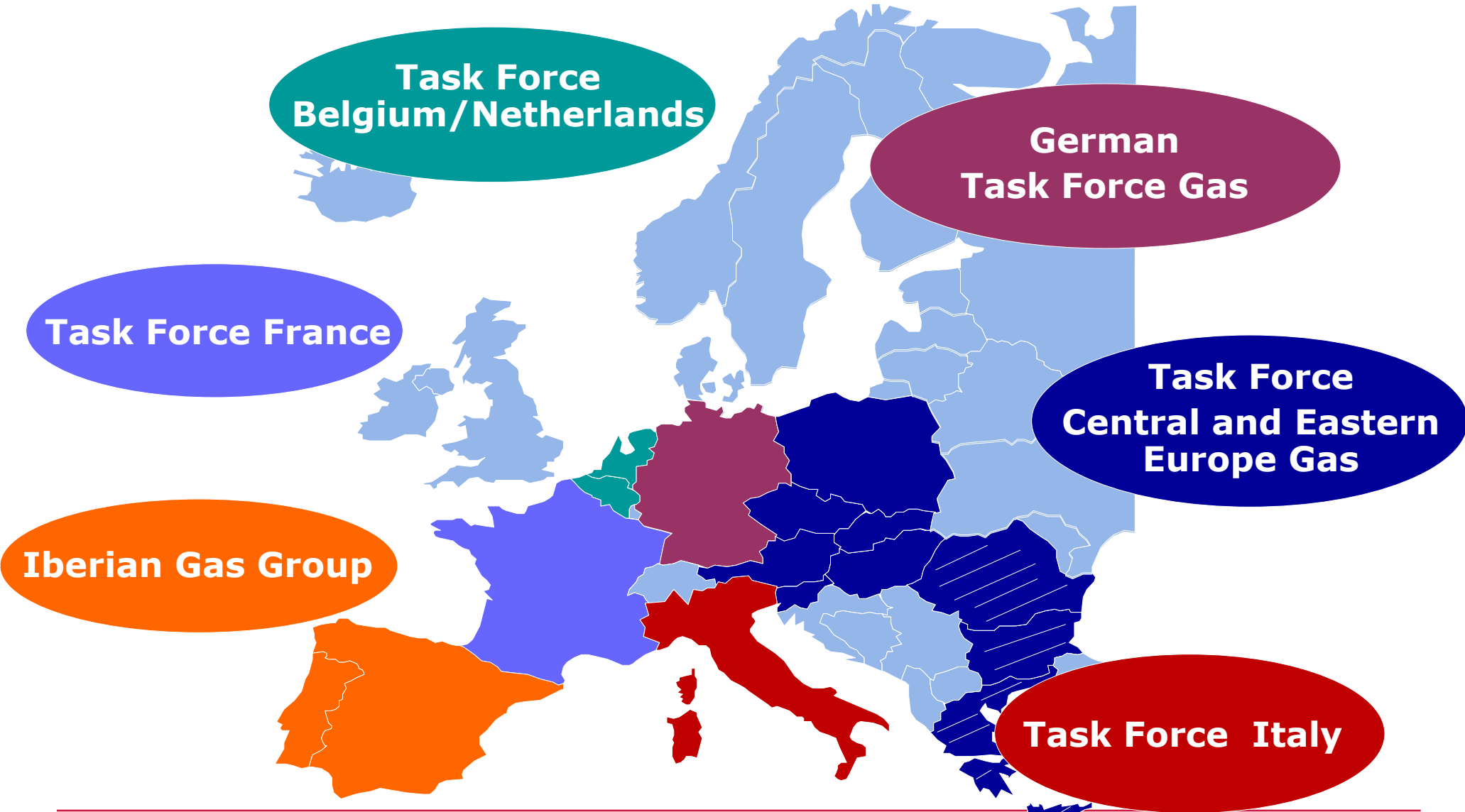
Primary capacity allocation and congestion management

Goal of EU-wide cashed-out local/regional balancing markets

Better information Provision by TSOs and along the whole gas chain

Harmonisation of services that make LNG more fungible with pipeline gas

The role of EFET National/ Regional Gas Task Forces



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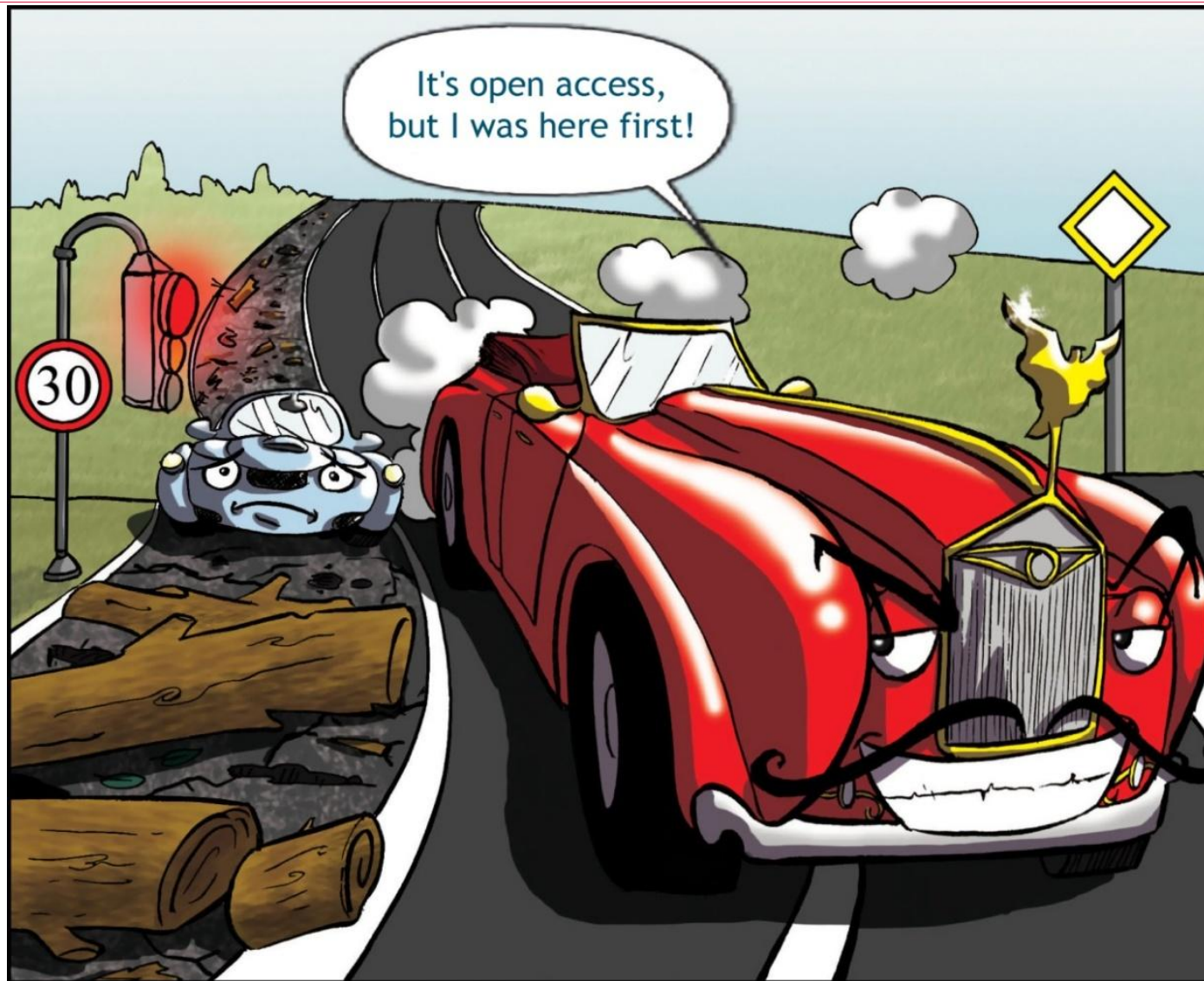
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The EU Gas Day – a small part of a bigger problem Access across borders is now being addressed



The EU Gas Day – a fundamental unit

Consistent standards enable efficient markets



- ⇒ a ‘Day’ is a fundamental unit of time for the gas business
- ⇒ daily balancing, DA commodity markets, daily capacity products ...
- ⇒ at some locations market participants have faced up to three different gas days (e.g. starting at midnight, 6 am and 8 am)
- ⇒ as national markets liberalise, some differences in the gas day can become a significant barrier to competition,
- ⇒ at the same time market inefficiencies and mis-match risks increase with the increased number of market participants and traded products
- ⇒ the new EU-wide network codes aim for a harmonised approach to the (commercial) operation of gas transmission
- ⇒ The Capacity Allocation Network Code requires bundled capacity products across interconnection points for the standard Gas Day.
- ⇒ Solutions should aim to enhance liquidity

The EU Gas Day – Clear rule should allow innovation Need an active market : beware of over-regulation



Thank you



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