



Over-nomination as fallback procedure Issue Solution Note Issue ID: 05/2019 11 December 2020

Gas Network Codes Functionality Process Issue Solution

| Issue details | |
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| Number: | <u>05/2019</u> |
| Name: | Allowance of over-nomination in the event of capacity |
| | platform failure outside working hours |
| Reporting party: | European Federation of Energy Traders (EFET) |
| Network Code / Guidelines | Network Code on Capacity Allocation Mechanisms, |
| concerned: | Commission Regulation (EU) 2017/459 |
| Article of the Network Code / | |
| Guidelines | |
| Category: | European issue |
| Abstract: | • |

According to EFET, in the event of a failure of the PRISMA (or potentially other) booking platform leading to a disruption of capacity auctions, manual procedures may be invoked during business hours, but no workable fallback is available at other times. Even within working hours, the manual process may overrun the allowed day-ahead auction window. Improved fallback procedures would help to avoid unnecessary TSO balancing action. In the interim, allowance of within-day over-nominations (e.g. by provision of no-notice interruptible capacity or an ex post allocation) would provide a simple, cost-effective fallback as an alternative.

| Issue solution(s) | |
|-------------------|------------------|
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As has been concluded in the solution supporting document, some limitations exist for implementing over-nomination as standard fallback procedure. Taking into account that a clear structured table already exists, with parameters that describe, for each TSO, the fallback-procedures and responsibilities in case of an auction failure, it is concluded that there is no need for further harmonisation.

This conclusion is also based on the fact that no clear benefit of having over-nomination as standard fallback procedure could be identified, especially considering the low number of times a failure of the auction process has been reported in the past. Consequently, ACER is





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of the opinion that the costs of implementing such fallback procedures are disproportionate in comparison to the benefits that could result.

Therefore, it is concluded that the current overview table available on ENTSOG's webpage already constitutes an ample solution and source of information for network users, and no need for an amendment to the Regulation has been identified. Regular updates of this table will continue to be made in the future.