



FÖLDGÁZSZÁLLÍTÓ
A MOL-CSOPORT TAGJA

Major Changes in the Hungarian national gas legislation due to the CAM NC and BAL NC

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28 April 2015



WWW.FGSZ.HU

Directive 2009/73/EC



Regulation 715/2009/EC Annex 1 (CMP)
Regulation 984/2013/EU (CAM NC)
Regulation 312/2014/EU (BAL NC)

HU legislative framework



Law XL
of 2008

Government Decree
No. 19/2009

MEKH Decree No. 1/2013.

Network Code („ÜKSZ”)
FGSZ Business Code
Operational Rules of the RBP, Operational
Rules of the Trading Platform



Calendar of 2015

Gas year: 1 July → 1 October

Capacity booking:

- Long term: years (1-15)
- Short term



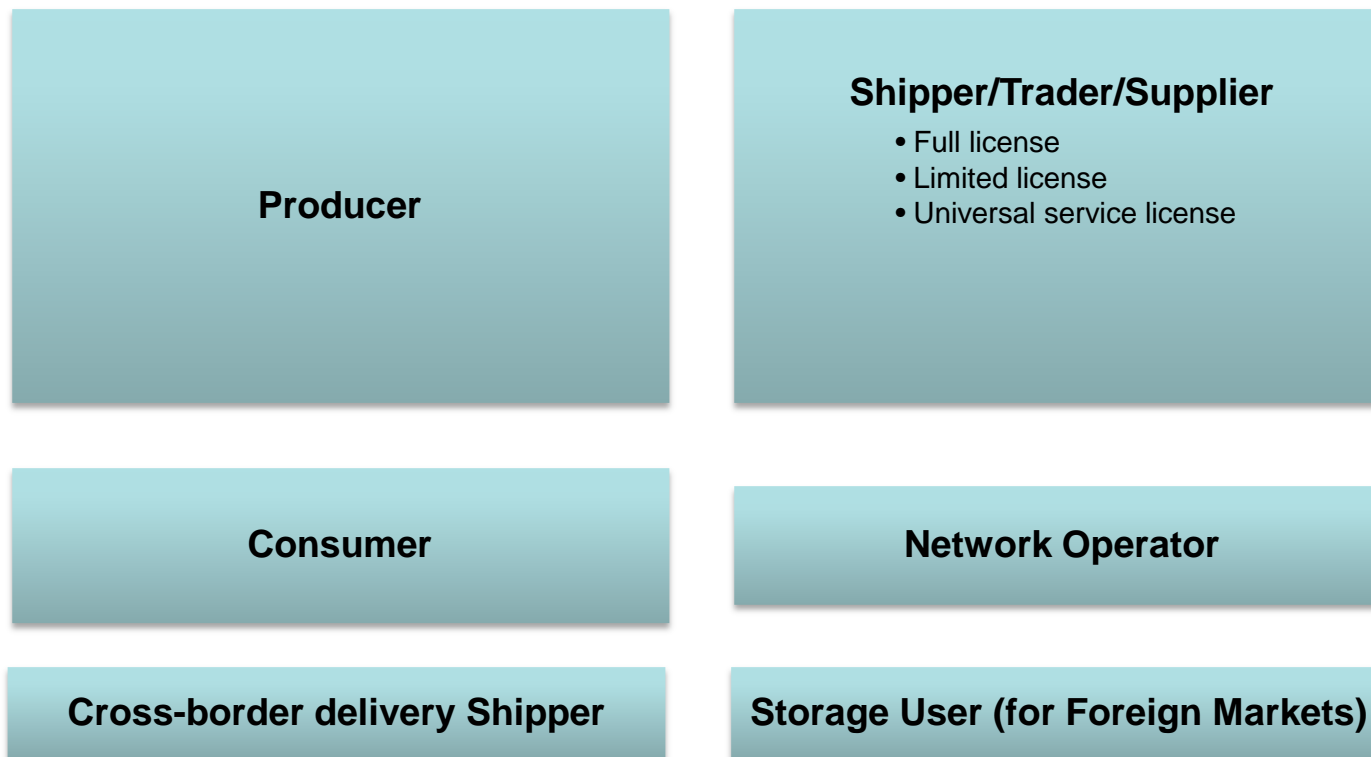
Transitional period: 1 July 2015 – 30 September 2015

- *Capacity demand and booking:* kWh/h, 25/0 °C, GCV /mirrored to the transitional period!/
– *Network usage (nomination, allocation):* MJ/h, 15/15 °C, NCV
– *Change of supplier, daily operative tasks:* MJ/h, 15/15 °C, NCV

Interruptible capacity: changes from 1 July 2015

Gas quality („MER“): 31 July → 31 October

Usage of the Transmission Network



Network Usage Contract

Gas Law + Implementing Ordinance + HU Network Code +
RBP Operational Rules + Business Code + other services
according to FGSZ's license

Network Usage Services I.

1. Basic Services (TSO)

a. *Basic Services*

- Network usage contracts (exit pressure, exit temperature)
- Capacity booking (examination – definition – publication – **RBP auctions** – secondary capacity trade)
- Measuring (quantity, quality)
- Delivery task (nomination, allocation, certificates)
- Hydraulic balancing
- Settlement (quantitative + financial)
- Informatic Platform
- **Trading Platform**



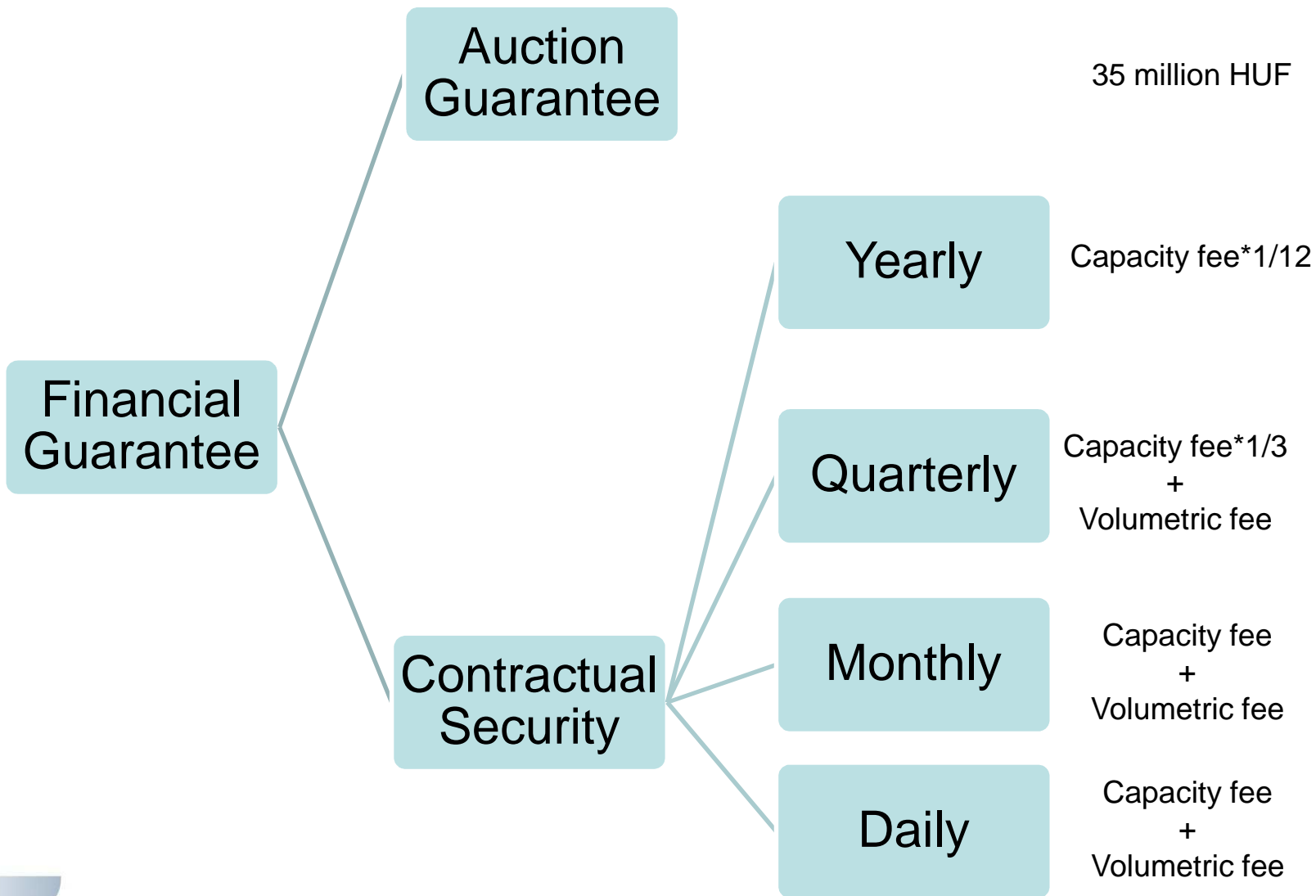
b. *Mandatorily Provided / Mandatorily Used Services:*

- Odourisation
- **Commercial balancing**

Network Usage Services II.

1. Basic Services (System Operator)
 - TYNDP
 - HU Network Code
 - Restriction classification
 - Restriction in emergency situation
2. Other, price-regulated services (NFM Decree No. 17/2013)
 - Title Transfer
3. Optional Services (FGSZ Business Code)
 - Point-to-point service
 - Data provision
4. Customised Services

Network Usage Services III.



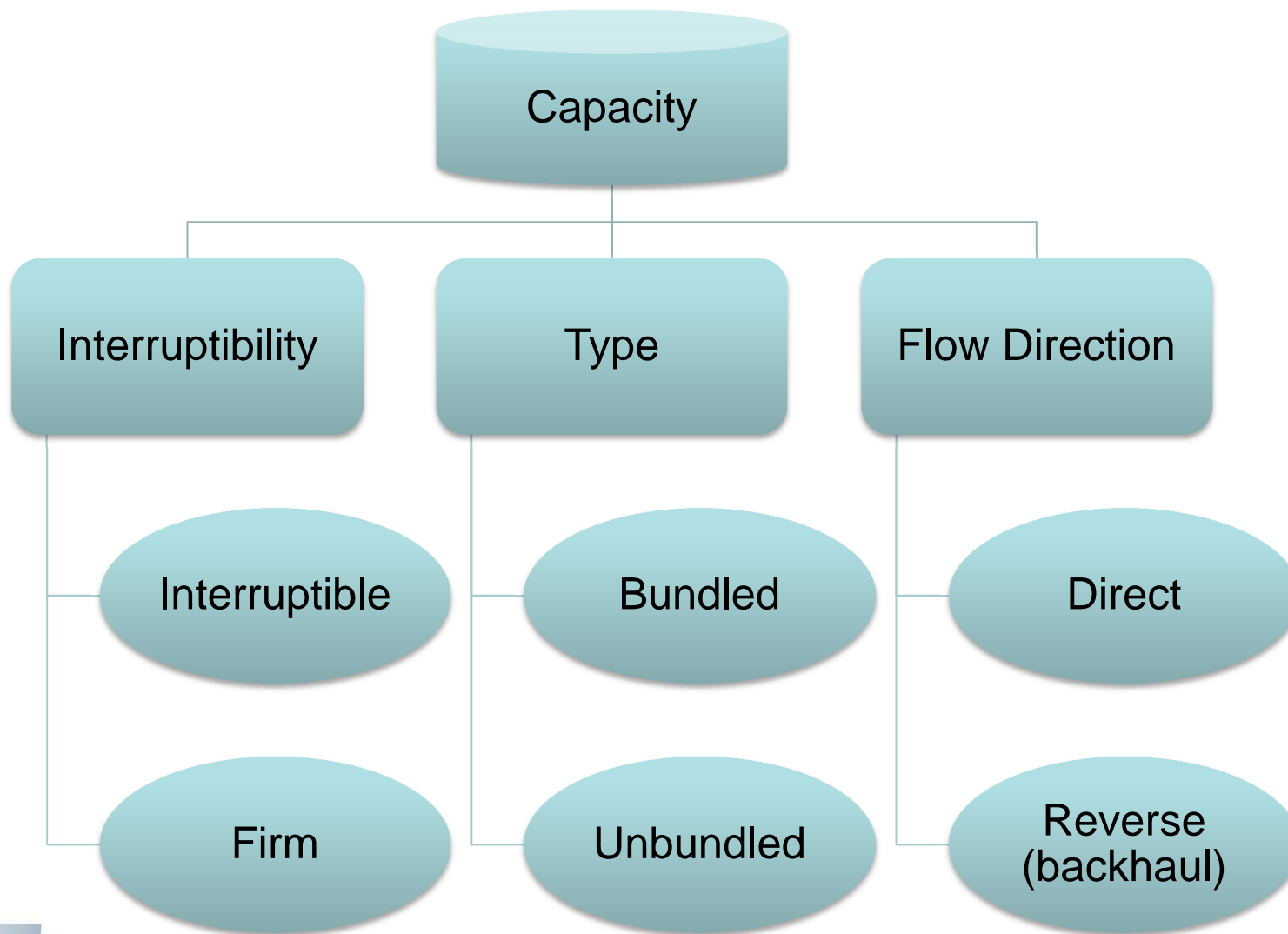


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Capacity of the Transmission System

Capacity Types



Capacity Values

(firm, available)

Defined for 0 °C
Expressed in m³/h



MER (MJ/h → kWh/h)

Maximal: in FGSZ's license

Technical: published

- Maximal – Hydraulic study (balance, operation)

Available: published

- Technical – Booked

Registered („nyilvántartott”)

Purchased: registered

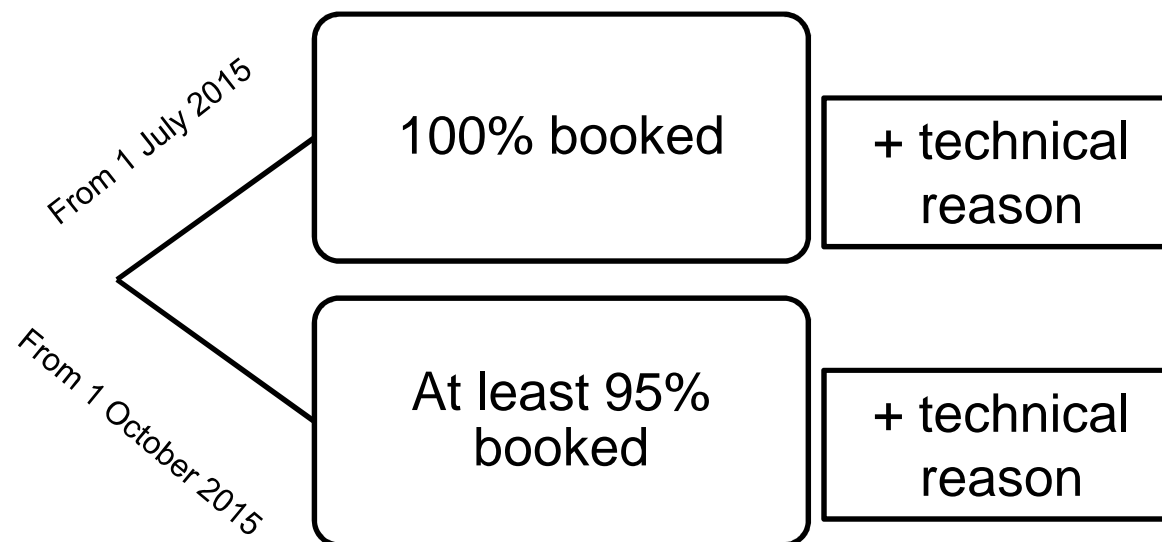
- At the end-consumer POD
- Purchased by the consumer / or acquired in a proven way



Interruptible Capacity

- fee = firm capacity fee (100%)
 - Refund: yearly 1/365 part * 300%, 200%, 150%, 130%, 100%

- allocability

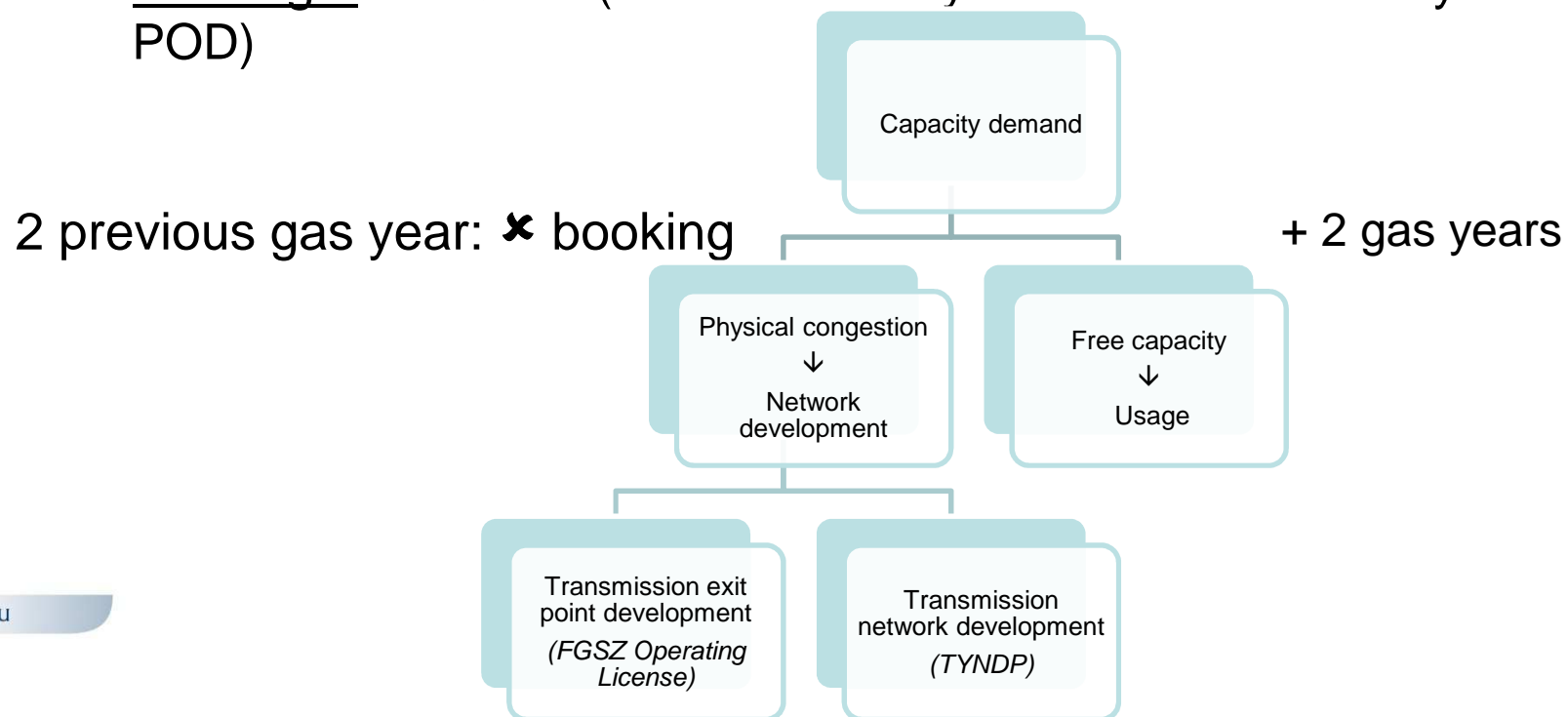


- Contractual congestion management: booked, non-nominated capacity → daily capacity, D+1
- Interruption sequence: daily → monthly → quarterly → yearly

Purchased Capacity

The maximal capacity booking right purchased by the consumer / or acquired in a proven way at the POD

- registered in network usage / connection agreement
 - Cannot be transferred to other POD ✓
 - Only the owner may dispose of it in written form (transfer/sale) ✓
- booking: at PODs (transmission system / distribution system POD)



Off-winter (Seasonal) Capacity

- Type: non-standard (yearly, special booking conditions)

1 April – 30 September

- Eligibility: based on consumer attestation approved by MEKH

- Capacity quantity
- Network point

auction

Sum of quantities
attested

Available firm capacity

Yearly
11 May 2015

Annual
Quarterly
1 June 2015

Seasonal
Until 30 June
2015

- Special booking: offered based on the available + firm capacity

Capacity Booking Platform (RBP)

Goal = capacity booking by auctions

- MEKH approval: 16 April 2015
- In Hungarian and English language



Auction participation criteria: (RBP usage free of charge)

- Signed Network User Membership Agreement
- Signed FGSZ Network Usage Contract
- Submitted Auction Guarantee

Application:

EU cross-border points

UKR, SRB cross-border points

HU domestic points

Auction Calendar

11 May 2015

2015/2016 gas year yearly auction = cross-border + domestic

	CAM NC	CAM NC Amendment proposal	HU Gas Law Implementation Ordinance
Yearly (cross-border)	March First Monday	July First Monday	
Yearly (domestic)			August First Monday
Annual Quarterly	June First Monday	August First Monday	
Rolling Quarterly, Q1			September First Monday
Rolling Quarterly, Q2			December First Monday
Rolling Quarterly, Q3			March First Monday
Rolling Quarterly, Q4			June First Monday
Rolling Monthly	Month -1 Third Monday	Month -1 Second Monday	Month -1 Third Monday

Balancing

– Instruments

- **Trading Platform/ CEEGEX**
- Own stock
- Nominated extra source
- Renomination
- Restrictions

Non-commercial activity

– By:

- **Trading Platform membership**
- Balancing service contract

Trading Platform I.

– Transactions:

- Member– Member
- TSO - Member

– Fees

- operation included in the network usage tariffs
- Volume-based fees

– Products:

	Natural Gas Products				Capacity Products		
Product	MGP Natural Gas	HEG	HEGO	KFRE	Interruptible	Firm	Backhaul
Instrument	Gas day Virtual point	Gas day Gas hour Physical point	Gas day Physical point	Gas day Physical point	Gas day Physical point	Gas day Physical point	Gas day Physical point

Trading Platform II.

Members:

- Shipper
- Consumer (on its own right)
- Producer
- TSO (domestic + foreign)
- Storage Operator
- DSO
- Cross-border delivery Shipper
- Storage User (for Foreign Markets)

Financial Settlement: KELER

- Central Counterparty Clearing
- Clearing house

Interconnection Point (FGSZ-MGT)

Hungary is 1 balancing zone

- Cross-border entry/exit point (*Balassagyarmat*):
 - Capacity booking: **yes**
- Interconnection point (*Vecsés-4*):

- Capacity booking : **no**
- Matching: **yes, with lesser rule**
- Title transfer: **no** (only NOM-type nominations)



Binding Open Season

(24 April 2015 – 19 May 2015)

- „Joint capacities”: 1 July 2015 – 30 September 2016
- Capacity booking limit = 37,5 % (but there is exception)
- „Use it or lose it” mechanism to be applied

Hungarian Network Code

- MEKH amended it, effective from 16 April 2015
 - MEKH Decree No. 4267/2015
- Regulatory Committee revision: until 30 June 2015
 - Regulatory Committee meetings: 7 May 2015, 16 June 2015
 - Proposals: until 12 May 2015



Thank you for your kind attention!



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