



## **ENGIE's answer to GTS/BBLC consultation**

### **BBL interconnector merger with the TTF market area**

Date : 09/06/2017

#### **Do you agree that the integration will deliver benefits to the network users in the TTF and NBP market areas?**

ENGIE agrees that the intended integration will contribute to improve market efficiency between TTF and NBP. The expansion of the TTF market area will most certainly bring benefits for the market such as a direct connection between TTF and NBP, improved arbitrage opportunities and increased flexibility for the Dutch market.

#### **Do you agree that the integration will contribute to the further development of the EU internal energy market?**

ENGIE is in favor of any integration project that will bring efficiency to the European market, and wishes this project to be a first step in that direction.

However, it is to be noted that this integration favors the connection of the Dutch market with the UK market, to the detriment of the connection with the German and/or Belgian markets.

Furthermore, BBL-GTS integration does not help to solve the current unfair situation between the shippers with long-term gas transport subscriptions, who have no possibility to adapt, to amend and/or to terminate those long-term contracts, and the shippers with short-term subscriptions, who are able to adjust their transport capacity continuously in accordance with their varying sales portfolio.

As a consequence, the shippers with long-term gas transport subscriptions cannot effectively compete on a level playing field basis with the short-term shippers, which is not conform with the requirements of European regulations to enhance competition.



**Do you agree that the proposed modifications to the BBLC GT&C are compliant with European regulations, specifically the European Network Codes?**

In line with ENGIE's response to the question above, the amended BBLC GT&C does not provide the right for the shippers with long-term gas transport agreements to decrease their capacity bookings or to early terminate those agreements. This creates discrimination among the shippers and distorts competition which is not compliant with European regulations.

**Do you agree that the proposed BBLC GT&C modifications are transparent, objective and non-discriminatory?**

The modifications themselves proposed by BBLC GT&C satisfy those criteria. However, the BBLC GT&C modified as proposed will not result in objective and non-discriminatory terms and conditions for all the market participants.

We regret that the amended BBLC GT&C does not also address those concerns and continue to replicate the current discrimination of which the long-term shippers are the victims.

**Do you have any other feedback?**

On the basis of the above, ENGIE suggests that BBLC and GTS seize this opportunity to review the terms and conditions of their long-term gas transport contracts in order to propose a fair and equitable system for all the shippers.

Finally, ENGIE asks that the shorthaul between production fields (GTS entry point Balgzand) and the BBL remain possible.

