

COMMISSION'S INSTRUCTION

In 2011, a basic Virtual Reverse Flow (VRF) product was introduced at the Moffat and Gormanston IPs. This was spurred by a European Commission infringement. At that time, in the interests of expediency and in order to reduce the costs of VRF, a product was put in place that minimised systemisation where possible.

In May 2014, further to issues raised by industry with the VRF product that was available, the CER requested the Transporter to include an **enhanced, within-day VRF product** within the scope of the EU Network Code implementation project. Based on this request, the Transporter developed these Business Rules – *Virtual Reverse Flow: Enhanced flexibility at Interconnection Points – Implementing EU Regulations*.

The CER is cognisant that the VRF product currently available has been subject to considerable debate and there is broad consensus on the need for an improved VRF product, providing greater flexibility and certainty to users. The CER is content that the product described in these Business Rules will provide such improvements from the existing product.

These Business Rules also include changes required in light of the CAM Network Code and changes to the way that capacity is booked by Shippers as a result. The move to the use of the Joint Capacity Booking Platform PRISMA impacts on VRF capacity in much the same way that it does for forward-flow capacity.

When approving these Business Rules, a consultation is ongoing as to the preference of Shippers on what projects should be prioritised as part of Phase 2 of the EU Network Code implementation project. The CER has indicated its desire to see this enhanced VRF product in place by April 1st, 2016, but is cognisant that there may be a need to choose between projects if resources are such, that all are not feasible to have in place prior to April 1st 2016. Any decision in this regard by the CER will be informed by the responses from Industry to this consultation.

The CER is now directing Gaslink to **develop legal drafting** on these Business Rules, in line with the Business Rules - Version 3.0, as circulated to Industry and submitted to the CER on July, 17th 2015.

Signed:


Aofhe MacEivilly, Commissioner

Issue date:

6/8/2015