

CODE OF OPERATIONS MODIFICATION PROPOSAL



MODIFICATION DETAILS

Modification Number: A067

Modification Title: Congestion Management Procedures

Modification Proposer:	Modification Representative:	Modification Representative Contact Details (email address):	Date Submitted:	Proposed Implementation Date:
Transporter	Kieran O'Sullivan	marketarrangements@gaslink.ie	18 February 2015	1 November 2015

Rationale for Implementation Date

The implementation of this modification is required to complement the establishment of a Network Code for Capacity Allocation Mechanisms (CAM) in Gas Transmission Systems, which specifies an implementation date of 1 November 2015. Further information in relation to proposed rules regarding the implementation of CAM may be found as part of [Code Modification A062 'Capacity Allocation Mechanisms \(CAM\) at Interconnection Points'](#).

Proposed section of the Code to be modified:

This Code Modification proposes to change the Code of Operations in order to facilitate the Congestion Management Procedures introduced in Section 2.2 of Annex 1 of EC Regulation 715/2009 as introduced by Commission Decision of 24 August 2012, along with the CAM Network Code specified above.

Areas of the Code which will require revision include:

- Part A: Definitions
- Part C: Capacity
- Part H: Operations

In addition there may be consequential effects on other areas of Code as a result of this modification.

MODIFICATION MOTIVATION

Intended Outcome of Proposed Modification

The Transporter incorporated congestion management procedures into the Code of Operations in 2013 ([see Code Modification A058](#)). The purpose of this current modification proposal A067 is to amend the existing procedures such that they are consistent with the changes arising from the implementation of the Capacity Allocation Mechanisms (CAM) Network Code in November 2015 (See [Code Modification A062](#) for further information). Effectively, this means that the congestion management procedures in the Code are to be amended to be compatible with bundled capacity, PRISMA auctions and quarterly capacity.

Under the revisions in Annex 1 of EC Regulation 715/2009 as introduced by Commission Decision of 24 August 2012, it is required that Congestion Management Procedures be put in place between entry-exit systems, irrespective of whether they are physical or virtual between two or more member states or within the same member state where the points are subject to booking procedures by users.

The four congestion management procedures outlined in the Regulation are:

- Capacity increase through oversubscription and buy-back scheme.
- Firm day-ahead use-it-or-lose-it mechanism.
- Surrender of contracted capacity.
- Long Term use-it-or-lose-it mechanism.

Rationale for proposed Modification

It is a requirement of the Commission Decision of 24 August 2012 that Congestion Management Procedures be put in place to deal with the possibility that contractual congestion may occur at an IP. The introduction of the CAM Network Code requires that the previously implemented CMP mechanisms be modified to ensure compatibility with new products and with adjacent TSO's procedures.

Benefits of implementing this Modification:

The key benefits of this change would be:

- The Code of Operations would be in compliance with EC Regulation 715/2009 as introduced by Commission Decision of 24 August 2012.
- Congestion Management Procedures will be in place in the event that they are required at any of the Irish IP's.

Consequences of not making this modification

The Code of Operations will be deemed to be non-compliant with EC Regulation 715/2009 as introduced by Commission Decision of 24 August 2012.

Illustrative Example (Please enter a scenario where the issue to be addressed by the modification is illustrated):

N/A