NATURAL GAS MARKET MODEL FROM 03.04.2017

Market access through 2-Contract Model

GAS MARKET

Transmission system framework agreement

Transmission system framework agreement

VTP deals

TSO

TSO

Entry point

VTP

Exit point

Storage framework agreemen

Storage

DSO

Delivery points

COMMERCIAL BALANCING
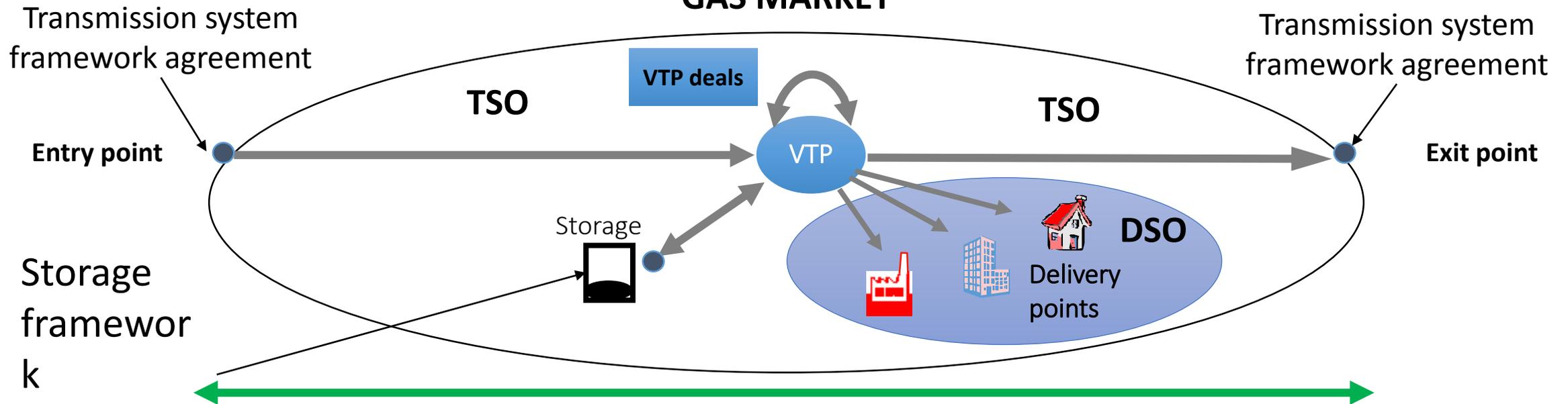
2-Contract Model

- Entry contract covers transport from entry point to VTP
- Exit contract covers transport from VTP to end consumer or other exit points
- Both contracts are independent of the physical grid and actual transport routes
- TSO and DSO are responsible for physical delivery
- Trader needs no physical grid knowledge
- Improved flexibility for customers increases complexity for TSOs

Virtual Trading Point (VTP)

- The VTP is a crucial element for the 2CM
- Clear separation between virtual and physical network
- Acts as a virtual trading hub and marketplace

Market Roles in Open Market

TSO	DSO	MARP	Trader
Roles/ Responsibilities			
• Ensure network stability • Ensure safe and secure operations • Provide TPA • Sell transport products • Manage VTP	• Manage low pressure grid • Maintain exit point list • Facilitate customer change process	• Provides balancing accounts • Facilitates VTP • Calculates commercial imbalance	• Sell gas • Offer Sales/ Trading products
Balancing Role			
• Responsible for technical balance of transmission	• Responsible for technical balance of distribution system	• Penalizes non-compliant trader	• Responsible for commercial balancing of portfolio
"Technical/Physical Balancing"		**"Commercial Balancing"**	

High-Level Relationship Map of Market Roles
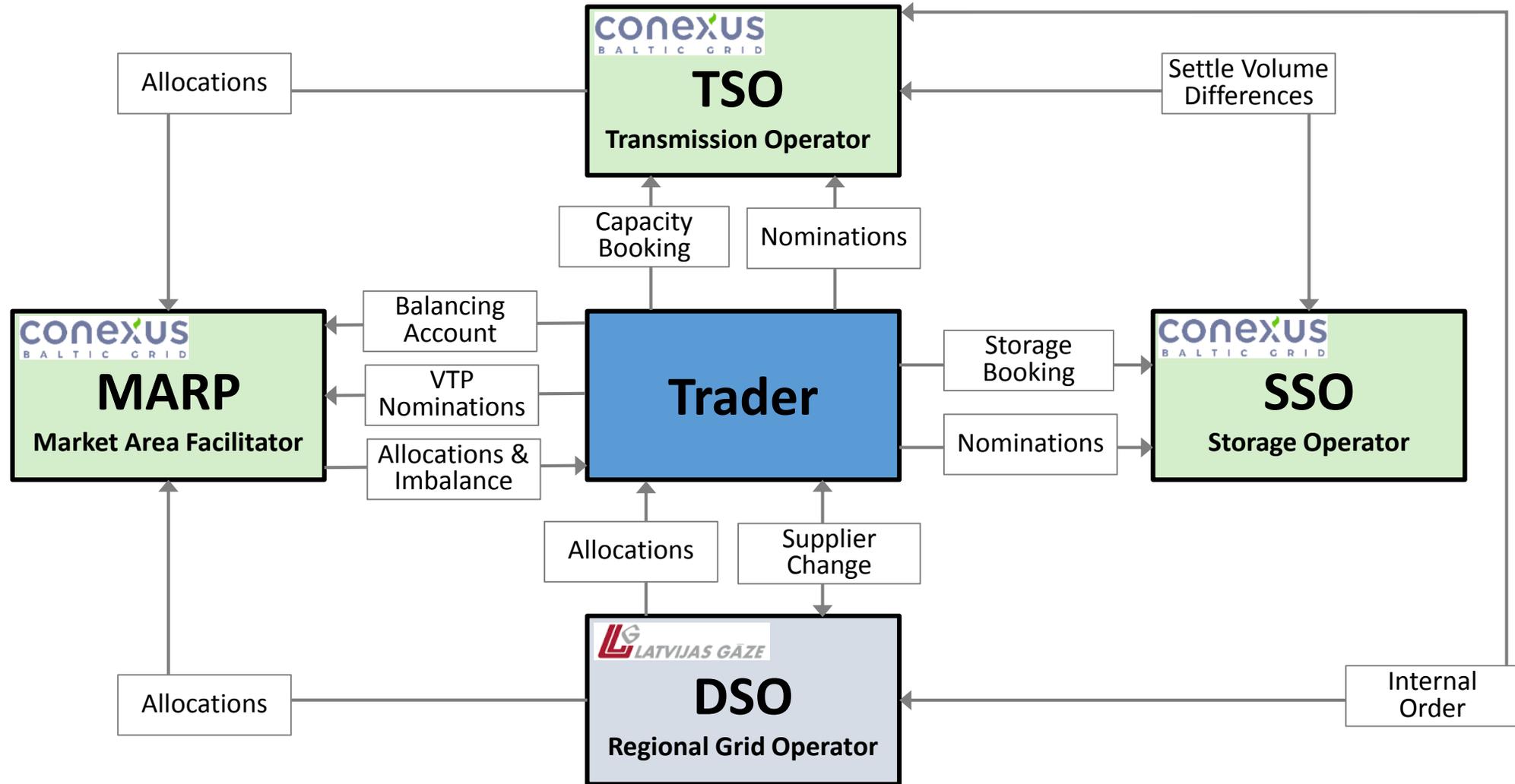
High-Level Relationship Map of Market Roles: Routine Activities
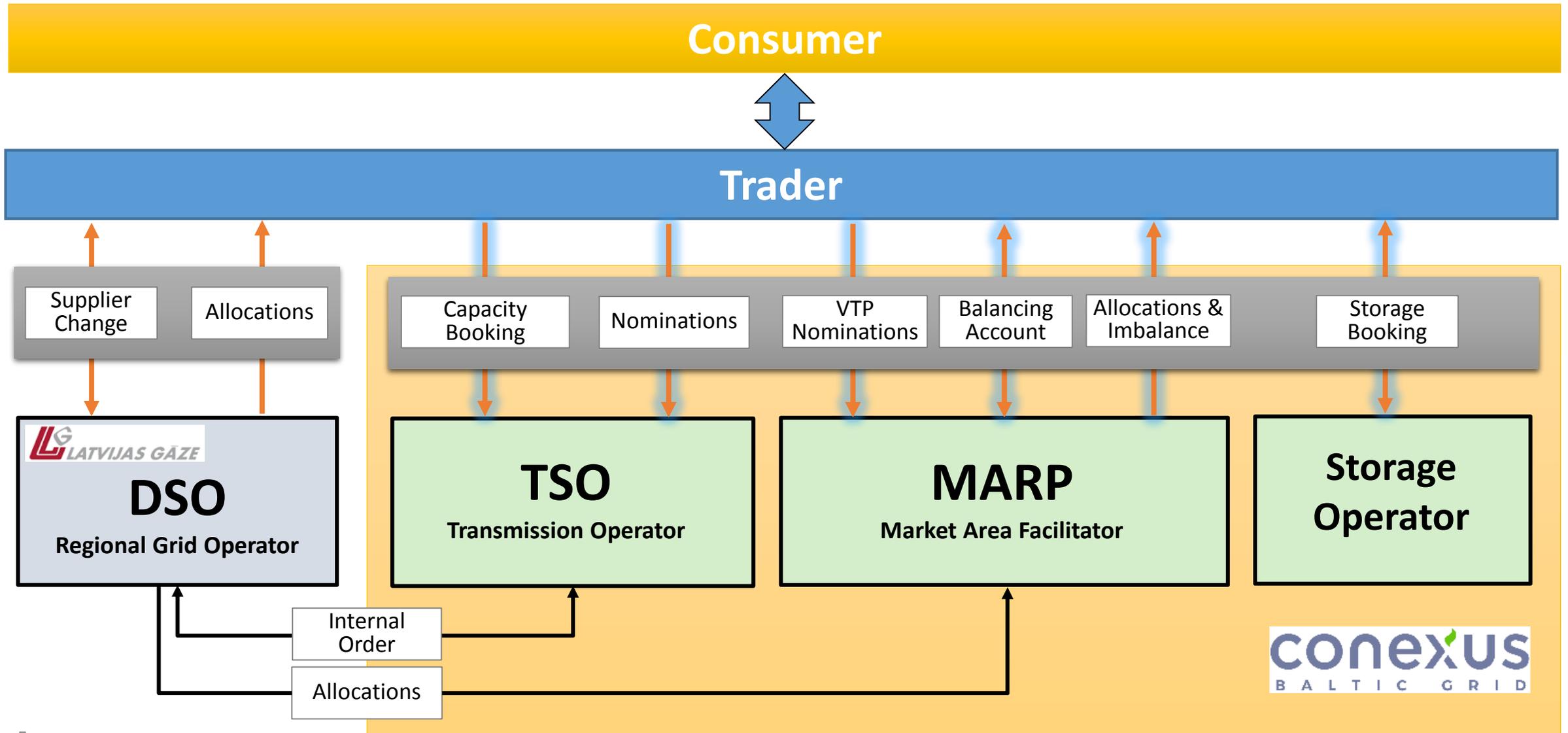
Thank you for attention!

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