

3.6.2020

## Wholesale market development group meeting

Time and place: Wednesday 3.6.2020 9:30 – 12:00, Teams meeting

Attendees: Marko Allikson (Scener, Baltic Energy Partners Oü), Katja Havikari (UPM), Harri Salmio (Neste), Anni Grenzmann (Elenger), Gintaras Buzkys (Get Baltic), Janis Eisaks (Conexus), Pekka Karinen (Suomen Kaasuenergia), Darek Lysko (Ignitis), Jarkko Avikainen (Gasum), Anni Orrain (Haminan Energia), Kaisa Salovaara (Stora Enso), Janis Kalejs (Latvijas Gaze), Leena Sivill (Gasgrid consultant, Afry), Tiina Niinimäki (Gasgrid), Ville Rahkonen, chair (Gasgrid), Janne Grönlund (Gasgrid), Anni Sarvaranta (Gasgrid), Cea Mittler (Gasgrid), Anni Nupponen, secr (Gasgrid)

Absent: Juha Kännö (Gasum)

Appendices: Appendix 1. Menti answers

### 1. Opening and agenda

Ville Rahkonen opened meeting and introduced the meeting agenda, which was accepted by the participants:

1. Opening and agenda (*Ville Rahkonen, Gasgrid*)
2. Reminder about competition law (*Cea Mittler, Gasgrid*) *informative*
3. Purpose of the wholesale market forum, introductions and expectations (*Ville Rahkonen, Gasgrid*) *discussion*
4. Status of service development (*Ville Rahkonen & Tiina Niinimäki, Gasgrid*) *discussion*
  - Roadmap to new features in the Portal
  - Discussion about portal development*BREAK*
5. Gas market status and its key parameters (*Janne Grönlund, Gasgrid*) *informative*
6. Tariff process, market rules and terms (*Anni Sarvaranta & Janne Grönlund, Gasgrid*) *informative*
7. Regional cooperation (*Anni Sarvaranta & Janne Grönlund, Gasgrid*) *discussion*

### 2. Reminder about competition law

Cea Mittler introduced Competition law guidelines for Gasgrid Finland and its market forums.

New members must always familiarize themselves with the guidelines. The presentation slide “Guidelines for the market forum meetings” summarizes the 10 most important principles regarding meeting policies.

### 3. Purpose of the wholesale market forum, introductions and expectations

Ville Rahkonen introduced the purpose of the wholesale market forum. The wholesale market forum is a discussion forum which helps Gasgrid Finland develop its services (e.g. Portal) and the wholesale market. Wholesale market forum is for registered shippers, traders, transmission system end user, biogas / LNG

injecting parties and TSOs. One representative can participate per registered market role (a company may have several roles).

All meeting materials will be available online at Gasgrid.fi website (<https://gasgrid.fi/en/gas-market/market-development-groups/>).

Frequency of the meetings will be at least 2 times per year.

Expectations on the market development group was asked from participants via Menti and also discussed during the introductions of participants. All the answers given through Menti can be found in the annex to the memorandum (Question 1). Below is listed some of the expectations expressed in discussion and through Menti:

- good platform to help with ideas and cheer solutions from other markets
- group will have as open dialogue as possible even there are some topics cannot be shared. Common bottlenecks – want to influence and see that this forum matters
- open discussion, customer voice is taken into account in plans for next steps
- regional co-operation development
- all open questions and bottlenecks should be discussed here.
- way forward how we can get one roof for whole market – rules, bottlenecks, processes → solutions which would be welcomed by market and which TSOs could implement
- good way to discuss with others, very important that IT systems work properly → Portal development
- good place to meet people with different market roles and share opinions
- how other participants sees market and how can market be developed more effective
- Discussion. Expecting that discussion will have impact on Gasgrid services and gasmarket
- involve different market parties to development work, more fresh ideas and perspectives
- wise to have commercial parties participating in development

#### 4. Status of service development

Ville Rahkonen introduced commercial desk at Gasgrid Finland and process towards more systematic service improvement.

Contact information can be found on Gasgrid Finland webpage: <https://gasgrid.fi/en/contact-details/>

Please use [commercial@gasgrid.fi](mailto:commercial@gasgrid.fi) for all questions concerning open market and it's IT systems. E-mail is operating during office hours and target response time for no urgent issues is within 3 working days.

In urgent matters outside office hours, for example if you have made a mistake in capacity booking, please contact the control room as soon as possible – so that erroneous capacity booking can be rejected.

Gasgrid hopes that if customers encounter problems with the operation of the Portal, they would attach the screenshot to the email.

Tiina Niinimäki introduced roadmap to new features in the Portal. The beginning of the year has gone well. There have been some bugs / errors in Portal which have been corrected and also done other development

work there. For the next steps there will be i.e. invoicing information and emission trading data published in Portal. For further development Gasgrid will listen to customer point of views, assess the needs against criteria and then decide about implementation.

Menti was used to collect Top 3 features of the Gasgridportal (see appendix question 2) and Worst 3 features of Gasgridportal (see appendix question 3)

Additional discussion:

- New version of nomination view in Portal was praised
- Heating values: upper is used for invoicing but lower is still used in most other reporting, which has surprised comparing to the expectations based on market opening workshops
- First and second correction cycles – for balance calculations. 1<sup>st</sup> one 3 months after the month and 2<sup>nd</sup> for the whole previous year in next April. In Estonian-Latvian market there are no such corrections. TSO takes responsibility to manage system and ensure data quality, that now correction for data quality. DSO should ensure enough data quality.
- Correction rounds should be done as soon as possible – it would be clearer.
- First Correction is the correction that takes place on the third month following the delivery month and is based on the set of measurement data corrected after the final balance settlement. Second Correction is a correction that takes place each April for all of the 12 delivery months of the preceding calendar year and that is based on the most recent set of corrected metering data provided after the First Correction. The corrections are financials ones. Corrections are made mainly due to faults in measurement equipment. This is different from reconciliation process in DSO networks. The balance settlement itself is always final on the 6<sup>th</sup> day after each month.
- It was mentioned that collateral requirements of TSO are quite strict for capacity taking into account that the TSO invoices the long capacity products already in the beginning of the month. Several participants also presented a wish for TSO to make it possible to deposit collateral on TSO's bank account.
- It was also discussed that could it be someday possible to make the final balance settlement quicker than 6<sup>th</sup> day? For TSO and Portal it is not problem. It is actually up to the DSOs how fast they would be able to deliver the measurement data in the datahub.

## 5. Gas market status and its key parameters

Janne Grönlund introduced the amount of registered market participants (1.6.2020), Gas consumption figures, Information of transmission platform for 1 – 4 /2020 and balancing model.

Balancing terms will be updated asap as part of confirmation process, NRA has started public consultation "Consultation on Gasgrid Finland's proposal to change the existing balancing rules" on 2.6.2020. Essential documents can be find on NRA's website in English and Finnish ([https://energiavirasto.fi/en/article/-/asset\\_publisher/consultation-on-gasgrid-finland-s-proposal-to-change-the-existing-balancing-rules](https://energiavirasto.fi/en/article/-/asset_publisher/consultation-on-gasgrid-finland-s-proposal-to-change-the-existing-balancing-rules)) . We hope everyone will participate on this consultation process.

## 6. Market rules, terms and tariff process (Anni Sarvaranta, Gasgrid) informative

Janne Grönlund introduced Balticconnector capacity allocation in 2021 and development of Gas Market Documentation.

Gasgrid will prepare amendment process for market rules. If changes to the market documentation arise during 2020, these will be informed for the market participants in advance.

Anni Sarvaranta introduced Tariff Methodology Consultation process.

## 7. Regional cooperation

Janne Grönlund and Anni Sarvaranta introduced regional outage coordination and communication and On-going regional co-operation initiatives, which included three topics: Regional market development, Operations and Maintenance coordination and Green gases co-operation.

Discussed topics:

- When would Lithuania join the common tariff area?
- IT and market rule changes would take a lot of time in market integration
- It was wished that biogas certificates from anywhere in EU would be acceptable in Finland
- It was mentioned that tariff removal between countries would be biggest benefit for end users
- Presenting the market parties the alternative market designs (just as a concept) would be beneficial to enable discussion

Outcome of discussion: Gasgrid will organize a separate market design seminar on Finnish-Baltic market integration.

## Appendix 1: Menti answers

Question 1: Expectations on market development group (respondents: 11)
<b>Responses</b>
Open discussion and possibility to participate in important development issues
Possibility to discuss future development plans and topical questions related to these
Stay up-to-date on market developments, raise important aspects of market development from the industry perspective
To be in the loop and have the chance to participate as non-governmental organization in development of regional market and sharing views and experiences of the actual user of the laws and regulations.
Possible to discuss different options for solutions
I look forward to this group to discuss the issues where there is a need for development and improvement. I expect the discussion in this forum to have an impact on the development of Gasgrid's services and the development of the gas market.
Great to be here and thanks for the initiative! Our expectations are to be aware of what is the current and expected state of play as regards to the development of the market. Looking forward to the discussions.
I would expect that we can together help to make the gas market functioning in a simple and transparent way by sharing the observations and probing ideas that could benefit the market. I am happy to share the experience from the gas market elsewhere
Developing gas wholesale market in general and share information how we can improve the market even better
Possible to influence decision making while processes are on-going
Discussion and sharing information ongoing things
Possibility to hear the thoughts of others on issues that are on the table
I expect this market development group to be a good platform to share views on regional cooperation.
Form a common opinion of development requirements and try to influence those to happen
Top 3: Nominations easy for everyone, transmission network state clear, capacity reservations clear.
"Latest information from TSO" could be a bit better arranged so that news is always first. Sometimes there are older posts on top and newer ones get stuck lower.

Question 2: Top 3 features of Gasgridportal (respondents: 5)
<b>Responses</b>
Clear overview of nominations and balances with counterparties
New nominations view is much easier to use now
Gren/yellow sign of system state
Quicker than EE-LV portal results of BC nominations
Nomination, balance gas prices, transmission network information
Balance overview, capacity overview, new capacity booking
1. user interface; 2. easy usability; 3. continuous improvements
Frontpage view is a good compilation
Does not log off automatically as EE-LV portal does

Question 3: Worst 3 features of Gasgridportal (respondents: 7)
<b>Responses</b>
Messy first page latest info from TSO
Missing GetBaltic nominations
Too little graphical visualization to get quick overview
Cannot see in real time total nominations and actual physical flows.
Front page would be more informative
Getting out data is for IT freaks - json firmats etc.
1. Still some issues on reliability on the API interface 2. Latest information is a bit unclear/hard to scroll down. 3. Possibility use different units (instead of kWh?)
Lack of graphical interface (capacity, current consumption)
Added user status cannot be modified, transfer metering sites should have option "continuous"
No visibility to how much is the network off balance
slow to enter individual trades day by day, difficult to check them afterwards, difficult to view/correct incorrectly entered notifications for future