

# Particularities of the Annual Auction 2021

OGE Live 2021, Frank Scharwat

**Customer.Knowledge.Contacts.**

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# Agenda

1. Yearly Auction 2021
2. Tariff Information  
(postage stamp tariff, tariff publication, weighted tariff)
3. Market Area Merger
  - THE Balancing group assignments
  - THE VIP implementation
  - Product updates (bFZK & DZK)
  - Additional capacities GY 2021/22 (KAP+)
  - Periods of capacity marketing (with regards to VIP partners)



# 1. Yearly Auction 2021

# Yearly Auction - some figures for OGE

- Approx. 300 auction products
- At approx. 40 entry and exit points (border-crossing points, VIPs, storage points)
- FZK, bFZK and DZK capacities
- Capacity offer for usually 5 years

PRISMA Transport Storage Reporting UMM Register Login

Auctions FCFS booking Capacity linking Secondary trading Network points

## yearly auctions

Start of auction: 12.07.2021 09:00

01.10.2021 06:00 - 01.10.2022 06:00

26d 18:48:37 until start of auction 1 auction available

Units: kWh; Subunit Showing 10 results per page

### Auction offer

Find network point

Filter for network points

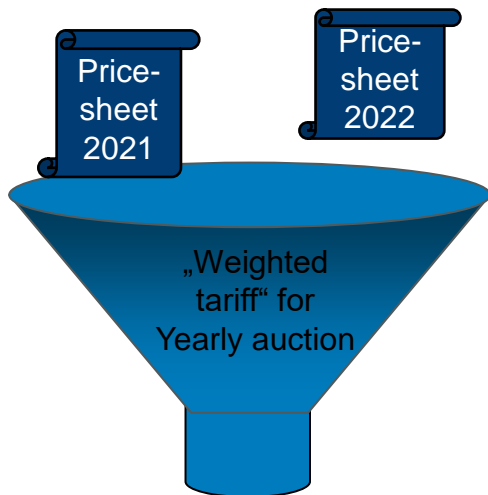
Network point name	TSO	Direction	Marketable	Category	Product runtime	Starting price	
Dornum	Open Grid (NetConnect Germany)	ENTRY	9,000,000 kWh/h	FZK	01.10.2025 06:00 - 01.10.2026 06:00	351 cent/kWh/h/Runtime	Details
Dornum	Open Grid (NetConnect Germany)	ENTRY	8,475,000 kWh/h	FZK	01.10.2024 06:00 - 01.10.2025 06:00	350.75827532 cent/kWh/h/Runtime	Details
Dornum	Open Grid (NetConnect Germany)	ENTRY	7,025,657 kWh/h	FZK	01.10.2022 06:00 - 01.10.2023 06:00	351 cent/kWh/h/Runtime	Details
Dornum	Open Grid (NetConnect Germany)	ENTRY	13,725,766 kWh/h	FZK	01.10.2021 06:00 - 01.10.2022 06:00	358.30958904 cent/kWh/h/Runtime	Details
Dornum	Open Grid (NetConnect Germany)	ENTRY	8,316,000 kWh/h	FZK	01.10.2023 06:00 - 01.10.2024 06:00	351.24172468 cent/kWh/h/Runtime	Details
Dornum GASPOOL	Open Grid (GASPOOL)	ENTRY	1,357,631 kWh/h	FZK	01.10.2023 06:00 - 01.10.2024 06:00	351.24172468 cent/kWh/h/Runtime	Details
Dornum GASPOOL	Open Grid (GASPOOL)	ENTRY	1,464,631 kWh/h	FZK	01.10.2025 06:00 - 01.10.2026 06:00	351 cent/kWh/h/Runtime	Details



## 2. Tariff Information

# Tariff Basics

Since 2018, the Network Code on Harmonized Transmission Tariff Structures (NC TAR) has set the requirement that the fees for the coming calendar year have to be published before the auction of the corresponding yearly products.



Due to different network fees for the calendar years 2021 and 2022 the following applies:

For capacity contracts with the duration 01.10.2021 – 01.10.2022, a „weighted tariff“ based on the respective price sheets will be applied in the auction.



# Postage Stamp Tariff

The German Regulator („BNetzA“) has published the final REGENT 2021-decision on 11.09.2020:

- Determination of a **uniform postage stamp tariff for the German market area** to be applied by the TSOs from 01.10.2021 onwards.

The following network fee for freely allocable capacity with a duration of one year was determined on this basis for the market area Trading Hub Europe GmbH:

- For **Q4/2021:** 3.80 €/(kWh/h)/a
- For **calendar year 2022:** 3.51 €/(kWh/h)/a



# OGE Tariff Information regarding 2022



Price sheet, Network access / pdf / 385.00 KB

## Information on tariff and multipliers of Open Grid Europe GmbH

for the yearly product of the gas year 2021/2022

[Preview](#) [Download](#)



Price sheet, Network access / pdf / 418.54 KB

## Fees charged by Open Grid Europe GmbH at interconnection points according to Regulation (EU) 2017/459 in the Trading Hub Europe GmbH market area

Valid from 01 January 2022, 06:00 a.m., until 01 January 2023, 06:00 a.m.

[Preview](#) [Download](#)



Price sheet, Network access / pdf / 209.33 KB

## Fees charged by Open Grid Europe GmbH at storage facilities in the Trading Hub Europe GmbH market area

Valid from 01 January 2022, 06:00 a.m., until 01 January 2023, 06:00 a.m.

[Preview](#) [Download](#)

<https://oge.net/en/for-customers/gas-transmission/shippers/overview-shippers>





# „Weighted Tariff“ for Gas Year 2021/22

## THE Network fee for the annual product of the gas year 2021/2022:

The network fee for the annual product shown on PRISMA for the gas year 2021/2022 is a weighted fee, rounded up to eight decimal places and calculated as follows:

$$\frac{\text{Yearly demand charge 2021}}{365} * \text{number of days [Q4 2021]} + \frac{\text{Yearly demand charge 2022}}{365} * \text{number of days [Q1 – Q3 2022]}$$

whereas:

- Yearly demand charge 2021: 3,80 €/(kWh/h)/a (THE)
- Yearly demand charge 2022: 3,51 €/(kWh/h)/a (THE)
- Number of days in Q4 2021: 92
- Number of days in Q1 – Q3 2022: 273

Due to rounding differences, the published fee on PRISMA can slightly differ from the invoiced fee. The monthly invoice amount will be based on the fee valid for the respective month.



# 3. Market Area Merger

# Participant Survey



Join at  
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**#094 336**

☰ Active poll

Do you expect the merging of the market areas to have positive effects, e.g. on liquidity in the market area?

0 0 0

Yes

0%

No

0%

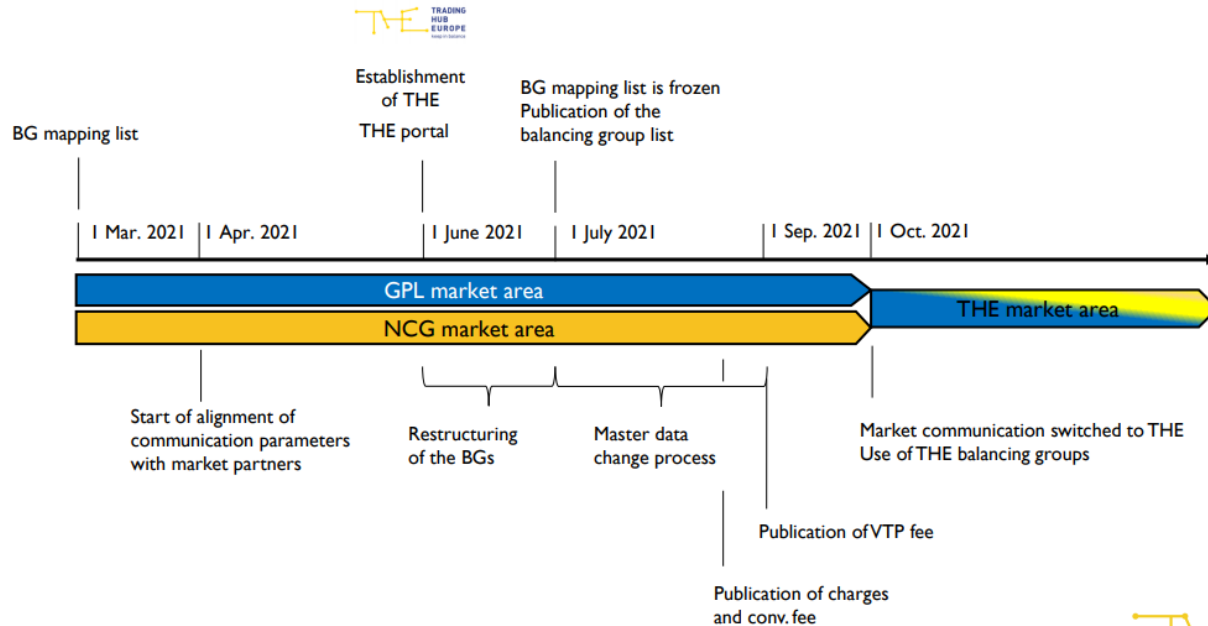
To be honest, the liquidity in my bank account is more important to me...

0%



# Market Area Merger with effect from 01.10.2021

## Timeline for transition to one market area



April 2021 | joined customer events BGM

18



# Market area merger - THE

- The new balancing groups according to the final THE balancing group list will be transmitted to the OGE systems from **01.07.2021**.



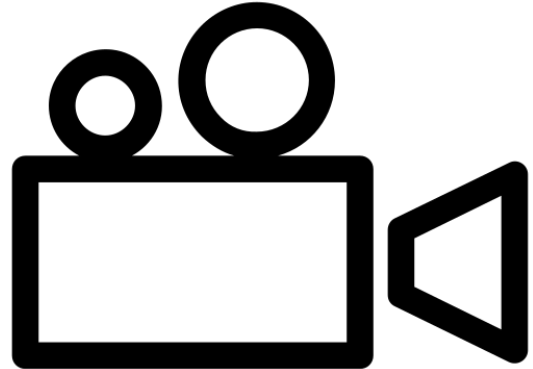
It is planned to offer the THE balancing groups during the yearly auction. If possible, these should already be used!

- Existing NCG and GPL balancing groups will remain valid and will be offered during the yearly auction.
- Existing capacity contracts with validity from 01.10.2021, 06:00 or a contract term beyond 01.10.2021, 06:00 that are brought into NCG or GPL balancing groups have to be transferred to the new THE balancing groups. A restructuration can be submitted in our contract management system (VMS).
- On **28.09.2021**, OGE will carry out a final withdrawal of all capacity contracts from NCG or GPL balancing groups.



# Tutorial for restructuring into THE balancing groups

- In order to support you in the context of any restructuring that may be necessary in the contract management system (VMS), we will prepare step-by-step instructions in video form for you.
- We will inform you about the link where you can find the video on our homepage as soon as the video is available (probably at the end of June / beginning of July 2021).



# VIPs with effect from 01.10.2021 (status: 02.06.2021)

Based on the market information dated 07.05.2021, the companies Fluxys TENP GmbH (Fluxys TENP), GASCADE Gastransport GmbH (GASCADE), Gasunie Deutschland Transport Services GmbH (GUD), GRTgaz Deutschland GmbH, Gastransport Nord GmbH (GTG), ONTRAS Gastransport GmbH, Open Grid Europe GmbH (OGE) and Thyssengas GmbH (TG) provide the following information on the introduction dates for the new VIPs to be formed as a result of the market area merger:

New VIP	VIP-TSO	involved TSO	relevant IPs	current VIPs	Introduction date	First marketing/auction
VIP TTF-THE-L EIC: 21Z012965309364T	TG	GTG GUD OGE	Oude Statenzijl (L) (GTG), Oude Statenzijl L (GUD), Elten (OGE), Vreden (OGE), Tegelen (OGE), Haanrade (TG), Zevenaar (TG), Dinxperlo	VIP TTF-GASPOOL-L, VIP-TTF-NCG-L	01.10.2021	Day-ahead-Auction on 30.09.2021
VIP DK-THE EIC: 21Z8273645914289	GUD	OGE	Ellund (OGE), Ellund (GUD)		01.10.2021	Day-ahead-Auction on 30.09.2021
VIP THE-ZTP EIC: 21Z102938475601E	OGE	Fluxys TENP TG GASCADE	Eynatten-Raeren (OGE), Eynatten (Fluxys TENP), Lichtenbusch (TG), Eynatten (GASCADE)	VIP Belgium - NCG	Expected on 01.04.2022	yet to be defined
VIP TTF-THE-H EIC: 21Z0019743987060	GUD	Fluxys TENP GASCADE TG OGE	Oude Statenzijl H (GUD), Bunde (GASCADE), Bocholtz (Fluxys TENP), Bocholtz (OGE), Oude Statenzijl (OGE), Bocholtz-Vetschau (TG)	VIP TTF-GASPOOL-H, VIP TTF-NCG H	Expected on 01.04.2022	yet to be defined



# Further Information on VIP-implementation

- Reasons for the postponement:

Considering the high implementation effort caused by the market area merger on October 1st, 2021, it is not possible to implement all THE-VIPs at the same time. The progressive introduction of the VIPs to be formed is also based on their respective complexity.

- What happens to contracts concluded in the annual auction?

Until the introduction of THE-VIPs the marketing of capacities at the existing NCG and GASPOOL VIPs and IPs will be temporarily continued. As soon as the new THE-VIPs are set up, the transport contracts already concluded at the NCG and GASPOOL VIPs and IPs will be transferred to the new THE-VIPs and the relevant VIP-TSOs.

- What's next at the VIP to the Czech Republic?

A consolidation of the VIPs on the border to the Czech Republic is currently not planned. The current VIPs (VIP Brandov-GASPOOL and VIP Waidhaus NCG) will therefore continue to exist beyond the market area merger and will be renamed as VIP Brandov and VIP Waidhaus as of October 1st, 2021.





# bFZK at Virtual Interconnection Points (VIP)

As of 1 Oct 2021, conditionally firm freely allocable capacities (bFZK) at our VIP will only be offered on a temperature dependence.

Under certain temperature conditions (previous day forecast at the meteorological station in **Essen**) bFZK capacities are both firm and freely allocable within the whole market area and have access to the Virtual Trading Point of THE.

— **Temperature conditions for the VIP Oberkappel and Waidhaus:**

daily average temperature  $> 0^{\circ}\text{Celsius}$   $\rightarrow$  bFZK capacity is fully interruptible.

— **Temperature conditions for VIP Belgium and VIP TTF NCG H-Gas:**

- daily average temperature  $< 0^{\circ}\text{Celsius}$   $\rightarrow$  bFZK capacity is completely firm
- daily average temperature  $> 0^{\circ} < 8^{\circ}\text{Celsius}$   $\rightarrow$  46.67 % of the bFZK capacity can be used on a firm basis
- daily average temperature  $> 8^{\circ}\text{Celsius}$   $\rightarrow$  bFZK capacity is fully interruptible



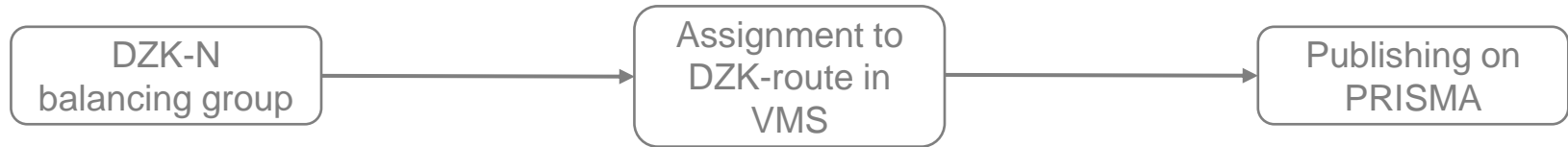
# DZK product at points requiring nomination (transit)

- DZK at border crossing points (BCP), virtual interconnection points (VIP) and storage connection points enables network use on a firm basis from a predetermined associated entry point to a specified exit point or from a booked exit point to a predetermined associated entry point.
- Prerequisite is the **assignment of corresponding entry and exit capacities to the same balancing group**.
- For the use on a firm basis, the sufficient use of the booked capacity at the predetermined associated network point is important.
- DZK at BCPs, VIPs and storage connection points are **assigned to FZK balancing groups**.
- After the market area merger, TSO might transfer existing DZK contracts into DZK1 contracts – but interconnection point combinations and product conditions will remain unchanged.
- Point combinations among different TSOs are possible. Point combinations with OGE involvement will be published on our website in a standardized format.



# Use of balancing groups for DZK capacities (transit)

For bookings **until 01.10.2021** in **NCG** market area



For bookings **starting 01.10.2021** in **THE** market area



- No assignment to DZK-route in advance needed
- No DZK balancing group needed



# Approved DZK Point Combinations exit → entry

			ENTRY											
			GASCADE	NGT	FLUXYS-TENP	OGE	GRTGAZD	FLUXYS-TENP	OGE	GRTDGAZD	OGE	GRTGAZD	OGE	GRTGAZD
			Mallnow	Greifswald-NEL	VIP Germany-CH	VIP Oberkappel	VIP France-Germany	Bocholtz	Waidhaus	Waidhaus	Oberkappel	Oberkappel	Medelsheim	Medelsheim
Exit	OGE	VIP-TTF-NCG-H DZK	X		X									
	OGE	VIP Belgium-NCG DZK	X		X			X						
	OGE	VIP Waidhaus NCG DZK				X	X			X	X	X	X	
	OGE	VIP Oberkappel DZK	X	X			X		X	X	X	X	X	

For this point-to-point connection (exit towards entry), the use of dynamically allocable capacity (DZK) is possible on a firm basis, provided that the conditions in accordance with Section 9 Number 3 of the General Terms and Conditions for the Entry-Exit Contract (entry-exit-System) are met.

x

# Approved DZK Point Combinations entry → exit

			EXIT												
			OGE	OGE	OGE	FLUXYS-TENP	OGE	GRTGAZD	OGE	GRTGAZD	OGE	FLUXYS-TENP	OGE	GRTGAZD	
			VIP-TTF-NCG-H	VIP Belgium-NCG	VIP Waidhaus-NCG	VIP Germany-CH	VIP Oberkappel	VIP France-Germany	Oberkappel	Oberkappel	Wallbach	Wallbach	Medelsheim	Medelsheim	
ENTRY	OGE	VIP-TTF-NCG-H DZK		X		X						X	X		
	OGE	VIP Belgium-NCG DZK	X			X						X	X		
	OGE	VIP Waidhaus NCG DZK					X	X	X	X				X	X
	OGE	VIP Oberkappel DZK			X			X						X	X

For this point-to-point connection (entry towards exit), the use of dynamically allocable capacity (DZK) is possible on a firm basis, provided that the conditions in accordance with Section 9 Number 3 of the General Terms and Conditions for the Entry-Exit Contract (entry-exit-System) are met.

X

# Impact KAP+ determination on annual auction 2021

- Determinations KAP+ and KOMBI from German regulator “Bundesnetzagentur” have been necessary as prerequisite.
- As of 01.10.2021 technical available capacity at H-Gas Entry points will be published as base capacity or additional capacity. Both capacity types will be offered together in the same capacity product.
- The introduction and use of market-based instruments (MBIs) enables the TSOs to offer additional capacity on a firm basis.
- Offer of additional capacity is in the responsibility of each TSO.
- During the KAP+ test phase German TSOs agreed on offering additional capacity only for the next upcoming gas year.
- Amount of total capacity offer equivalent to NDP 2018 level (plus any TSO specific reallocation not evident in the NDP)



# Information about additional capacity in the yearly auction 2021 acc. to decision KAP+

According to tenor 3 lit. a) of the BNetzA decision regarding “the approval of a joint concept for an oversubscription and buy-back scheme by German transmission system operators for additional capacity in the single German market area” (KAP+) from 25.03.2020 (BK7-19-037) OGE informed BNetzA on 30 April 2021 about the amount of additional capacity and disclosed this information on its website as download version.

<https://oge.net/en/for-customers/gas-transmission/market-information/legal-publication/market-area-merger>

# Overview gas years being marketed in 2021 annual auction

Product GY	H-Gas Entries	All other auction relevant IPs
<b>2021/22</b>	Base + additional capacity. (In total: previous capacity)	Not restricted, previous capacities (Market area IPs no longer relevant)
<b>2022/23</b>	Base capacity only	Not restricted, previous capacities (Market area IPs no longer relevant)
<b>2023/24</b>	Base capacity only	Not restricted, previous capacities (Market area IPs no longer relevant)
<b>2024/25</b>	Base capacity only	Not restricted, previous capacities (Market area IPs no longer relevant)
<b>2025/26</b>	Base capacity only	Not restricted, previous capacities (Market area IPs no longer relevant)
<b>2026/27 – 2035/36*</b>	Base capacity only	Not restricted, previous capacities (Market area IPs no longer relevant)

\*Capacity at VIP TTF-NCG-H & VIP Belgium-NCG also offered beyond gas year 2025/26





# „Particularities of the Yearly Auctions“ - Contacts



webinar

## Customer Service Office:

E-Mail: [gastransport@oge.net](mailto:gastransport@oge.net)

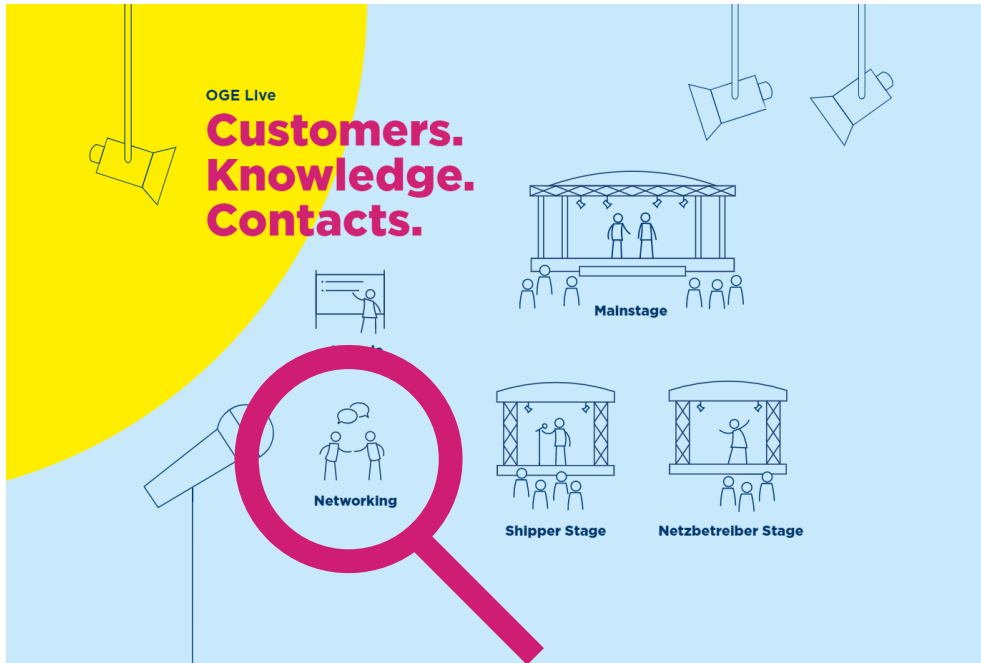
Phone: +49 201 3642-12222

## Your Key Account Managers:

- Evelyn von Alten
- Sabine Ebert
- Tobias Happle
- Stephan Kern
- Johannes Mohr
- Sabine Roßa
- Frank Scharwat
- Tobias Schlimgen
- Thomas Stang (parental leave)
- Phillip Taylor



# Personal contact and the opportunity to ask questions




In our **networking area** you have the opportunity to exchange ideas with the speaker and / or with each other on the topic.

Click on the networking symbol in the app.

We look forward to meeting you!

# Final Participant Survey

☁ Active poll



We appreciate your feedback on the presentation 0 0 0

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