



GEODE COMMENTS ON ACER DRAFT OPINION ON THE ENTSO-G STATUTES, RULES OF PROCEDURES AND LIST OF MEMBERS

GEODE, the European association representing the interest of energy distribution companies welcomes the opportunity to provide comments on **ACER** draft opinion on ENTSO-G statutes, rules of procedures and list of participants.

According to the draft opinion, **ACER** has no reservations on the ENTSO-G's Articles of the Association, list of participants and Rules of procedures save for Article 1, Article 7, Article 37 and Article 43 of Articles of Association and Article 4 AoA and Articles 27 and 29 of Rules of Procedure.

GEODE agrees with **ACER** reservation as regards Article 1 AoA. It contains a definition of a TSO that, as proposed by ACER, should refer to designation under both Articles 10 and 11 of Gas Directive 2009/73/EC.

Article 7 AoA provides discretionary powers to ENTSO-G General Assembly to admit new members, once the conditions for becoming a member have been fulfilled by the TSO applying for membership. According to Regulation No 714/2009, all TSOs are obliged to cooperate at European level through ENTSO-G. Then their membership is an obligation. Therefore **GEODE** supports the ACER proposal that the General Assembly should be required to accept TSOs from EU Member States that meet criteria of Article 7 AoA, unless a candidate TSO is in a situation that would lead to its exclusion according to Article 9 of AoA.

In relation to Article 37, **GEODE** supports ACER proposal to require ENTSO-G to submit the proposal for any substantial modification of the Articles of the Association to the European Commission and to ACER for an opinion in accordance with Regulation No 715/2009. Articles 5 (2) and (3).



GEODE agrees with ACER that Article 43 infringes the principle of equal treatment. However even if **GEODE** in principle supports the implementation in due time of all provisions contained in the Regulation, we can support ACER proposal that the transitional provisions of Article 43 AoA apply not only to ENTSO-G's founding members but also to all new candidate members operating in the EU and which need to be certified in due time.

As regards Article 4 AoA and Articles 27 and 29 of Rules of Procedure **GEODE** agrees with ACER that according Article 9 of Regulation No 715/2009, ENTSO-G should submit the draft Annual work programme and the Community-wide Network Development Plan to ACER for its opinion. ENTSO-G should also include in Article 4 of AoA that results of its monitoring tasks regarding implementation of Network Codes and Guidelines have to be reported to ACER.

GEODE would like to take this opportunity to address the need of DSOs to be actively involved in the drafting process of the network codes, when there are provisions that affect distribution networks operation.

GEODE welcomes the way ENTSO-G foresees stakeholder involvement on the development of Network Codes through the Stakeholders Joint Working Sessions and further consultations, allowing stakeholders participation in the drafting process since its starting point as states in Articles 26 and 28 of the Rules of Procedures. It is not appropriate that only the TSOs should draft provisions on the operation of DSOs networks. DSOs are also responsible for the operation of the network and for assuring security of supply. Therefore DSOs involvement in the process as envisaged by ENTSO-G is essential and Appreciated.

5th. of April 2011