

FAQs on Market Area Merger

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1 Foreword

Following the publication of the transitional arrangements for the market area merger, the market area managers GASPOOL Balancing Services GmbH (GASPOOL) and NetConnect Germany GmbH & Co. KG (NCG) have received a number of questions. The aim of these Q&As is to provide guidance and information to help simplify the transition to the new market area Trading Hub Europe (THE). In this document the questions received so far have been clustered into the categories "General", "Dealing with network balancing accounts, balancing groups and the THE nomenclature", "SLP quantity reconciliation process", "Master data change process", "BGM processes" and "Market area conversion".

These Q&As will be updated as and when necessary. GASPOOL and NCG accept no liability for the correctness of the answers provided.

2 General questions

2.1 Where are the transitional arrangements for the market area merger published?

The transitional arrangements for the market area merger (Annex 3 to the Best Practice Guidelines for the Management of Gas Balancing Groups) are available via the following links:

https://www.gaspool.de/fileadmin/download/THE/210313_Transitional_arrangements_for_the_market_area_merger.pdf

or

<https://www.net-connect-germany.de/en-gb/Media-centre/Information-Centre#163751-further-information>

2.2 Will there be any changes to the supplier framework agreement as a result of/during the term of the transitional arrangements?

No. The supplier framework agreement (Annex 3 to the Cooperation Agreement – KoV) will not change, neither during the term of the transitional arrangements nor when KoV XII comes into force on 1 October 2021.

(Answer based on bdew FAQ list)

2.3 Will balancing group managers and network operators have to apply for new authorisations to access and use the THE portal or will the authorisations previously granted for the GASPOOL / NCG portal continue to be valid for the THE portal? Over what period will the authorisations (access details for the new THE portal) be sent to the market partners?

All users with a valid access permit as a balancing group manager or network operator already registered with NCG and/or GASPOOL will be migrated to the THE portal by 31 May 2021 at the latest, and the relevant user authorisations will be transferred to the THE portal accordingly. Use of the THE portal will require new access details, which will be provided by e-mail upon the launch of the THE portal. Before logging in for the first time, the password will have to be reset / reassigned.

(Answer based on bdew FAQ list)

2.4 Will REMIT messages for periods after 1 October 2021 have to be retransmitted with the new THE market area code?

REMIT messages for periods after 1 October 2021 that have already been submitted to ACER with the old market area codes do not have to be retransmitted.

(Answer based on a query submitted to ACER by bdew. THE does not assume any liability for the correctness of information provided by ACER)

3 Questions on dealing with balancing groups, network balancing accounts, and the THE nomenclature

3.1 Will existing balancing groups be migrated to the THE?

From 1 October 2021, 06:00 hrs., all balancing groups (and balancing subgroups) will have the THE nomenclature. Balancing group contracts and contracts linking balancing groups commencing on or after 1 October 2021 will be concluded between the BGMs and THE. All current balancing groups will continue unchanged and will be transferred to THE. The balancing group/balancing subgroup designations will be migrated to the new nomenclature. The contracts linking balancing groups will also remain in place and will be transferred to THE. Initially, the GASPOOL and NCG balancing groups will be migrated to the new THE balancing group nomenclature on a 1:1 basis.

The NCG and GASPOOL balancing group numbers will expire on 1 October 2021 at 06:00 hrs, and only the new THE nomenclatures must then be used for contract periods commencing on or after 1 October 2021. However, the GPL/NCG balancing group numbers will still have to be used for any corrections relating to contract periods prior to 1 October 2021.

3.2 Will the existing contracts linking balancing groups be transferred?

Yes, all existing contracts linking balancing groups in the GPL and NCG market areas will remain in place after 1 October 2021, 06:00 hrs. for the THE market area.

3.3 Will the network balancing accounts also be migrated in the same way as the balancing groups?

During the transition to the new THE market area, the network operators' existing network balancing accounts will continue to be used. However, the nomenclature of the network balancing accounts will change from 1 October 2021, 06:00 hrs.:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Description
Market Area				designation of NBA		Gas type	DVGW Code (starting with the third cipher)									
T	H	E	0	N	K	H	7	1	2	3	4	5	0	0	0	H-Gas network balancing account
T	H	E	0	N	K	L	7	1	2	3	4	5	0	0	0	L-Gas network balancing account

The NBA balancing objects (NBA-BO; abbreviated in German as "NKBO"), which are used to take network buffer operating modes and/or OBAs into account for NBA allocations, will also have a new nomenclature from 1 October 2021, 06:00 hrs.:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Description
Market Area				designation of NBA		Gas type	DVGW Code (starting with the third cipher)									
T	H	E	0	N	K	H	7	1	2	3	4	5	0	0	0	H-Gas network balancing account
T	H	E	0	N	K	L	7	1	2	3	4	5	0	0	0	L-Gas network balancing account

For network operators which are located in the market area overlap or have two separate network balancing accounts for the same gas quality in both market areas, the MAM will only maintain one network balancing account for each gas quality from 1 October 2021, 06:00 hrs.

3.4 What is the new nomenclature for balancing groups?

From 1 October 2021, 06:00 hrs., all balancing groups (including balancing subgroups) will use the THE nomenclature. Balancing group contracts and contracts linking balancing groups commencing on or after 1 October 2021 will be concluded between the BGMs and THE. The balancing groups will have the following nomenclature:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Description
Market Area			designation as BG	class and capacity type	Gas type	Individual number (Position 8: applicable capacity tariff)						Subgroup number				
T	H	E	O	B	F	H	1	1	2	3	4	0	0	0	0	Balancing group for high CV gas quantities
T	H	E	O	B	F	L	1	1	2	3	4	0	0	0	0	Balancing group for low CV gas quantities
T	H	E	O	B	F	H	9	1	2	3	4	0	0	0	0	Balancing group for high CV gas quantities, undiscounted
T	H	E	O	B	F	L	9	1	2	3	4	0	0	0	0	Balancing group for low CV gas quantities, undiscounted
T	H	E	O	B	F	H	1	1	2	3	4	1	2	3	4	Balancing subgroup for high CV gas quantities
T	H	E	O	B	F	L	1	1	2	3	4	1	2	3	4	Balancing subgroup for low CV gas quantities
T	H	E	O	B	F	H	9	1	2	3	4	1	2	3	4	Balancing subgroup for high CV gas quantities, undiscounted
T	H	E	O	B	F	L	9	1	2	3	4	1	2	3	4	Balancing subgroup for low CV gas quantities, undiscounted
T	H	E	O	B	D	H	1	1	2	3	4	0	0	0	0	Balancing group for high CV gas quantities for dynamically allocable capacity (DZX)
T	H	E	O	B	D	L	1	1	2	3	4	0	0	0	0	Balancing group for low CV gas quantities for dynamically allocable capacity (DZX)
T	H	E	O	B	D	H	9	1	2	3	4	0	0	0	0	Balancing group for high CV gas quantities for DZX, undiscounted
T	H	E	O	B	D	L	9	1	2	3	4	0	0	0	0	Balancing group for low CV gas quantities for DZX, undiscounted
T	H	E	O	B	D	H	1	1	2	3	4	1	2	3	4	Balancing subgroup for high CV gas quantities for DZX
T	H	E	O	B	D	L	1	1	2	3	4	1	2	3	4	Balancing subgroup for low CV gas quantities for DZX
T	H	E	O	B	D	H	9	1	2	3	4	1	2	3	4	Balancing subgroup for high CV gas quantities for DZX, undiscounted
T	H	E	O	B	D	L	9	1	2	3	4	1	2	3	4	Balancing subgroup for low CV gas quantities for DZX, undiscounted
T	H	E	O	B	B	H	1	1	2	3	4	0	0	0	0	Balancing group for high CV bio gas quantities
T	H	E	O	B	B	L	1	1	2	3	4	0	0	0	0	Balancing group for low CV bio gas quantities
T	H	E	O	B	B	H	9	1	2	3	4	0	0	0	0	Balancing group for high CV bio gas quantities, undiscounted
T	H	E	O	B	B	L	9	1	2	3	4	0	0	0	0	Balancing group for low CV bio gas quantities, undiscounted
T	H	E	O	B	B	H	1	1	2	3	4	1	2	3	4	Balancing subgroup for high CV bio gas quantities
T	H	E	O	B	B	L	1	1	2	3	4	1	2	3	4	Balancing subgroup for low CV bio gas quantities
T	H	E	O	B	B	H	9	1	2	3	4	1	2	3	4	Balancing subgroup for high CV bio gas quantities, undiscounted
T	H	E	O	B	B	L	9	1	2	3	4	1	2	3	4	Balancing subgroup for low CV bio gas quantities, undiscounted

The new balancing group nomenclature contains the following variables:

- 6: F: Natural gas balancing group
 - D: DZK (DAC) for natural gas balancing group
 - B: Biogas balancing group
 - Y: DZK (DAC) Biogas balancing group
- 7: H: H-gas balancing group
 - L: L-gas balancing group
- 8-12: BG No. (5 digits), of which:
 - 8: 0-6: Discounted capacity tariff
 - 9: Undiscounted capacity tariff
- 9-12: Remaining 4 digits of the BG No.
- 13-16: BSG No. (4 digits, 0000 = BG, 0001-9999 = BSG)

3.5 When will the balancing group list be published on the portal?

The first publication of the "THE balancing group list" is scheduled for 1 July 2021. In principle, this list will only be available to network operators for declaration and allocation processes. The network operators can use the list to check the data entered in their systems.

3.6 What does the balancing group list contain?

The balancing group list will be published for the first time on 1 July 2021 and will be updated on a daily basis. It will contain the following details:

- THE balancing group number
- Name of the BGM
- Term of the THE balancing group contract (start and end date)
- Capacity type of the balancing group

3.7 When and where will the balancing group mapping list be published?

On 1 March 2021, the two MAMs will publish an initial list on their websites mapping all existing balancing group numbers to the THE balancing group numbers on a 1:1 basis. In addition, the consolidated balancing group migration table (for the two old market areas) will be available on the THE website from 1 June 2021. During the period from 1 June 2021 to 1 July 2021, the mapping list will be updated on a weekly basis.

Given the period of notice to be observed, it will no longer be possible after 1 July 2021 to terminate balancing groups with effect from 1 October 2021. At that time, the THE mapping list will be “frozen”.

3.8 What details will the mapping list show?

The initial mapping list will only show the old balancing group code and the new THE code.

It will therefore contain the following columns:

Old BG code	THE BG code

The final list (available from 1 June 2021) will contain all balancing groups (incl. balancing subgroups) with the THE nomenclature and the old nomenclature. If, in the course of the termination of a balancing group contract, a successor balancing group is subsequently specified in the portal, it will also be published on the mapping list. In addition, the list will show which balancing groups migrated to THE balancing group numbers were terminated with effect from 1 October 2021.

The final mapping list will contain the following columns:

Old BG code	THE BG code	Subsequent BG (as necessary)	Valid from	Valid until

3.9 Does the mapping table only include balancing groups or also the corresponding balancing subgroups?

Balancing subgroups will also be published.

3.10 After the 1:1 transfer of the old NCG and GASPOOL balancing groups to the new THE balancing groups, can two THE balancing groups of the same gas quality continue to be operated from 1 October 2021 or will it be necessary to terminate one of the balancing group contracts?

All balancing groups can be transferred to the THE and continue to be used. The important thing is that according to the KONNi Gas ruling, balancing groups of different gas qualities must be connected with each other.

4 Questions on master data change process

4.1 According to the transitional arrangements for the market area merger (Annex 3 to the Best Practice Guidelines for the Management of Gas Balancing Groups, Part 1 KoV XI), the shippers' change notifications can only be sent after publication of the THE balancing group list from 1 July 2021. Does this also apply to the registration processes pursuant to GeLi Gas? Can shippers already use the new THE balancing groups in the registration process with a delivery date from 1 October 2021 when the Guideline comes into force on 1 April 2021 (at least theoretically, on the basis of the mapping list)? Would these registrations have to be processed and confirmed accordingly?

The balancing groups listed in the 1:1 balancing group mapping list from 1 March 2021 serve to structure the balancing group portfolios and, in this sense, they do not yet contain the THE balancing groups valid for the period commencing 1 October 2021. The new THE balancing groups valid from 1 October 2021 will only be available after the publication of the THE balancing group list on 1 July 2021. A master data change process "balancing group change" or a registration process according to GeLi Gas, which is initiated by the

shipper before 1 July 2021 on 1 October 2021 based on the balancing groups of the 1:1 balancing group mapping list, would therefore have to be rejected by the network operator stating "invalid BG" as the reason. In order to avoid unnecessary processing, the shippers are therefore requested to wait for the THE balancing group list for these processes or to carry out registrations before 1 July 2021 with NCG or GASPOOL balancing groups.

(Answer based on bdew FAQ list)

4.2 Given the new balancing groups, will it be necessary to send a master data change notification for the balancing group to the network operator for each market location (MaLo)? What happens if not all MaLos are transferred to a new balancing group? What happens if the balancing group is not changed by 1 September 2021? Will the affected MaLos be re-registered for substitute/basic supply?

From 1 October 2021, 06:00 hrs., THE balancing groups will be the only valid balancing groups. From 1 September 2021, after expiration of the one-month period for balancing group-relevant processes, the network operator will start to check whether there are still any MaLos not assigned to valid balancing groups for periods from 1 October 2021, and it will send a deregistration (E44) info message for such MaLos to the old supplier. If the supplier does not send a modified supply registration message with a THE balancing group, the "Start substitute/basic supply" process in accordance with GeLi Gas will commence. The transaction reason in the UTILMD substitute/basic supply ("*Ersatz- oder Grundversorgung*" - "EoG") message will be the status ZC6 (EoG following balancing group closure).

(Answer based on bdew FAQ list)

4.3 Who will BGM have inform about the new balancing groups, when will it have to do so and how? Who will the shipper (supplier) have to inform about the new balancing groups before sending the master data change notification for the new balancing groups, will it have to do so and how?

The BGM has to provide the shipper with the details of the new balancing groups/balancing subgroups according to the individual contractual arrangements between both parties. The shipper (supplier) will then use the new THE balancing group/balancing subgroup in the master data change notification to the network operator. The balancing groups/balancing

subgroups will not automatically be replaced by the network operator. Other than that, there will be no further messages.

(Answer based on bdew FAQ list)

4.4 Does the network operator have to store all balancing groups from the mapping list in its system in order for the master data changes to be processed? Or does the supplier have to inform the network operator in advance about the balancing groups to be used? Are there any deadlines that have to be observed?

There is no obligation for the network operator to store all THE balancing groups in the system in advance. According to Section 3 (4) of the supplier framework agreement, the balancing group has to exist at the time of registration in order for the registration to be processed by the network operator. If the registering shipper is not at the same time the balancing group manager of the balancing group in question, it will warrant through the supplier framework agreement that it has been authorized by the balancing group manager for the balancing groups specified on the contact data sheet (Annex 2 to the supplier framework agreement) to allocate exit points to these balancing groups on behalf of the balancing group manager. Any changes to balancing-relevant data will have to be reported by the shipper (supplier) in accordance with the deadlines of GeLi Gas. The shipper will have to notify the network operator of any new balancing group numbers/balancing subgroup numbers by the 10th working day before notification of the start of supply as defined in GeLi Gas or by the 10th working day before notification of the change in the balancing group allocation to a new balancing group number/balancing subgroup number as part of the master data change process. Allocation of exit points to these balancing group / balancing subgroup numbers shall be subject to the deadlines specified in GeLi Gas. If the master data is not changed in time, the network operator will have to comply with the transitional arrangements in Section 2.3 of Annex 3 to the Best Practice Guidelines for the Management of Gas Balancing Groups (Part 1) and GeLi Gas.

4.5 What happens if a registration becomes effective before 1 October 2021 but the deadline for the balancing group change by 1 October 2021 cannot be met?

For registrations during the course of September 2021 for an RLM delivery starting in the month of September 2021, the supplier must submit both a delivery de-registration from 30 September 2021 (NCG/GPL balancing group) and a delivery registration from 1 October 2021 with the THE balancing group.

(Answer based on bdew FAQ list)

4.6 How should changes from 1 October 2021 that affect the period before 1 October 2021 be dealt with? The supplier's EDM/BGM system would then have to know both balancing groups (old and new)?

Both the old and new balancing group designations will have to be used for a transitional period, not only for (retroactive) master data processes, but also, for example, for allocation data processes (SLP allocation for 1 October 2021 or M+12 allocation for September 2021, etc.). This will apply to all market partners (suppliers, network operators, MAMs, BGMs) and will have to be done e.g. by delimitation using time slices.

(Answer based on bdew FAQ list)

4.7 The deadlines for the start of supply (collection and change of supplier) are not listed in the transitional arrangements, according to which the supplier can still register with the new balancing group in September. In this case, there may be problems with the deadline (15th working day in September) in terms of the balance sheet allocation from 1 October 2021.

The processes described in the transitional arrangements (Annex 3 to the Best Practice Guidelines for the Management of Gas Balancing Groups (Part 1) of the Cooperation Agreement KoV XI) are based on the existing standard processes and do not override or redefine these processes. The deadlines underlying the standard processes also apply in the same way to the market area merger. All market partners are required to collaborate in the best possible, non-discriminatory way to ensure the master data are correct.

Unavoidable issues or issues that cannot be resolved in time before 1 October 2021 must subsequently be remedied using the available processes (including clearing).

(Answer based on bdew FAQ list).

4.8 For RLM registrations in September, a deregistration/registration needs to take place by 30 September/1 October. Why not for SLP as well?

The standard processes according to GeLi Gas apply. A start date during the course of a month is only an option for RLM deliveries.

(Answer based on bdew FAQ list)

4.9 Is it possible to deregister from 1 September 2021 if the balancing group has not been changed? Should the network operator then re-register with the basic supplier?

Yes, but first the network operator and the old supplier should try to clarify the matter bilaterally.

4.10 Should registrations until 30 June 2021 with NCG or GASPOOL balancing groups still be made for dates after 1 October 2021?

The NCG or GASPOOL balancing groups have to be used until the valid THE balancing groups are available on 1 July 2021. It is important to bear in mind that a master data change will then also be required for these points from 1 July 2021 as part of the switch to the new THE balancing groups.

(Answer based on bdew FAQ list)

4.11 Are both the 1:1 mapping list and the THE balancing group list also accessible to network operators?

Yes, the 1:1 mapping list is published on the MAM websites. The THE balancing group list is published for network operators on the THE portal. Both lists are available to network operators in electronically processable format as csv and/or Excel files. Only the THE balancing group list with the valid THE balancing groups from 1 October 2021 will be relevant for the processes (in particular the master data assignment of all MaLos to THE balancing groups). This THE balancing group list will be published on 1 July 2021.

(Answer based on bdew FAQ list)

4.12 Does THE publish an example file of the final mapping laits and the list of valid balancing groups ?

An example file of the final mapping list can be found on THE's Website here:

https://www.tradinghub.eu/Portals/0/Downloadcenter%20-%20THE%20Dokumente/Beispiel_finale_Mapping-Liste.xlsx?ver=qMHY4kKAKYi_ORjjQ_v0qw%3d%3d

An example file for the set-up of the list of valid THE balancing groups from 1 October 2021 is published on THE's website here:

https://www.tradinghub.eu/Portals/0/Downloadcenter%20-%20THE%20Dokumente/Beispiel_Bilanzkreis-Liste_f%C3%BCr_Netzbetreiber.xlsx?ver=4LOho5yMMGOY5f7Zdi420A%3d%3d

5 Questions on BGM processes

5.1 How are allocations, declarations, etc. processed during the transition period?

Please refer to the following chart:

Leistungsmonat	Mai	Juni 21	Juli 21	August 21	Sept 21	Okt 21
Deklaration M+17WT TSIMSG		Marktgebiet und Bilanzkreiscode Gaspool, Marktgebiet und Bilanzkreiscode NCG				Marktgebiet und Bilanzkreiscode THE
Nominierungen VHP/GÜP/Speicher		Marktgebiet und Bilanzkreiscode Gaspool, Marktgebiet und Bilanzkreiscode NCG				Marktgebiet und Bilanzkreiscode THE
BK-Allokation D-1 (SLP), D+1, M+12WT ALOCAT		Marktgebiet und Bilanzkreiscode Gaspool, Marktgebiet und Bilanzkreiscode NCG				Marktgebiet und Bilanzkreiscode THE
Allokationsclearing M+14WT bis M2M-10WT ALOCAT		Marktgebiet und Bilanzkreiscode Gaspool, Marktgebiet und Bilanzkreiscode NCG				Marktgebiet und Bilanzkreiscode THE
Netzkonto-Allokation M21WT/M26WT ALOCAT Netzkonto-Clearing M2M+10WT ALOCAT		Gaspool- bzw. NCG-Netzkontonummer				THE Netzkonto- nummer
MMMA SSQNOT, INVOIC		Gaspool und NCG Netzkontonummer		THE Netzkontonummer *(ab dem 01.10.2021 auch für LZR vor dem 01.10.2021)		

5.2 Can the network operator's declaration for October 2021 be submitted via the THE portal?

From 1 September 2021, the declaration function on the THE portal will be enabled for contract periods commencing on or after 1 October 2021.

(Answer based on bdew FAQ list)

5.3 How will the process of "linking L and H BGs" take place? Will this happen automatically or is it the BGMs' responsibility to do this on the THE portal?

The BGs will not be linked automatically. First, the BGM will need to check and link its balancing groups itself. If the MAM then notices that balancing groups of different gas qualities of a BGM are not linked, a compulsory link will be enforced by the MAM.

(Answer based on bdew FAQ list)

5.4 To which market partner will the allocation clearing details for dates prior to 1 October 2021 have to be sent? If, for example, the network balancing account is the GASPOOL account, is the recipient of the file GASPOOL or THE?

From 1 October 2021, the allocation clearing details will have to be sent to the communication address of THE.

(Answer based on bdew FAQ list)

5.5 Is it theoretically possible to use a THE balancing group before 1 October 2021?

THE balancing groups can only be used for contract periods after 1 October 2021.

(Answer based on bdew FAQ list)

5.6 Question about 1:1 communication with the new MAM THE before 1 October 2021: Apparently, the idea is to already send the declaration list for October 2021, which will be drawn up on 24 September 2021, or the SLP allocation for 1 October 2021, which will be drawn up on 30 September 2021 by the network operators, etc. (with THE balancing group number and THE MP ID) to THE's 1:1 communication address. According to Annex 3 of the "Transitional arrangements for the market area merger", THE's 1:1 communication address can only be used from 1 October 2021, which means that it will not be available on 24 September 2021 or 30 September 2021. Or will it be possible, after all, to use THE's 1:1 communication address already before 1 October 2021?

On 1 October 2021, the communication channels of the old market areas will be switched off. Prior to that date, THE's communication setup will already be available for individual processes:

- Declaration for contract periods from 1 October 2021
- SLP allocation for contract periods from 1 October 2021
- Nomination for contract periods from 1 October 2021

(Answer based on bdew FAQ list)