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REGULATORS IN NORTH WEST EUROPE ENCOURAGE GREATER TRANSPARENCY TO HELP GAS NETWORK USERS

- Project has made progress by providing network users with greater transparency of information on gas networks in north west Europe
- However, some gas network companies have delayed publication of information and commitments are needed to publish this data before the December 2008 deadline.
- Regulators are pushing for release of all agreed data on gas flows and capacity to help drive for competitive European energy markets
- Transmission network operators have committed to publish all the information required by the end of 2008 when the project ends

Energy regulators in north west Europe have today (Friday) called on gas network operators in the region to step up efforts to publish more data on gas flows and availability of network capacity.

The network companies agreed to increase transparency of information on gas flows across Europe and capacity available to transport gas, which will help the drive to make European energy markets more competitive. The voluntary information sharing project is being co-ordinated by Britain's energy regulator, Ofgem. It is part of a wider regional initiative for north west Europe, led by the Dutch Office of Energy Regulation.

Lord Mogg, chairman of the European Regulators Group for Electricity for Gas (ERGEG) who is also chairman of Ofgem, said: "Up to date information including data on gas flows and the availability of capacity is crucial to the development of a competitive market. The regulators' report on the project shows progress has been made by some transmission companies. We welcome the new information that they have published.

"It is regrettable that other network companies have delayed publication of information which network users will find useful. This report makes it clear that transmission companies need to deliver in the next few months to keep momentum going while the new package of legislation to prise open Europe's markets is progressed."

The project has already helped network users by providing new information allowing them to assess gas flows and capacity at cross-border points on the gas networks. These interconnection points are crucial to the flow of gas around Europe and historically it has been difficult to understand where additional capacity may be available for use. Delays are occurring in the publication of information relating to several data types, including the probability of supply interruption for major customers, and daily flows of gas.





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NOTES TO EDITORS

A copy of the report is available to download here: http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=1&refer=Europe/Whatwe do/RegionalInit

1. The European Regulators Group for Electricity and Gas (ERGEG) launched its Electricity and Gas Regional Initiatives (ERI and GRI) in spring 2006. The Regional Initiatives framework created seven electricity regions and three gas regions in Europe. The Gas Regional Initiative North-West (GRI NW) comprises nine countries Belgium, Denmark, France, Germany, Great Britain, Ireland, Netherlands, Northern Ireland, Sweden, with Norway acting as an observer

2. The overall aim of the Regional Initiatives is to facilitate the development of regional gas and electricity markets, working in cooperation with stakeholders, to remove barriers to trade and competition. The Regional Initiatives take a bottom up approach to reform by identifying the key barriers to progress and where possible, work with stakeholders to implement appropriate solutions.

3. There is a consensus among stakeholders that the main priorities for GRI NW are transparency, network capacity and investment. These issues are critical to developing a market where gas can be freely traded between Member States on a non-discriminatory basis. Other areas identified as a lower priority were gas balancing, gas quality, the creation of trading hubs and storage.

4. Ofgem and the Dutch Office of Energy Regulation have today published a report on progress of the North West Regional Gas Initiative and a second implementation report will be produced by November 2008. Following project completion in December 2008 a final implementation report will be produced in early 2009 to assess the overall success of the project.

5 More information about the work of ERGEG is available here: http://www.energy-regulators.eu/portal/page/portal/EER_HOME

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