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Date	February 21, 2014	Direct number	+31 (0)50 364 8389
Our reference	J14.387	Your reference	[Uw Kenmerk]

Subject
Options for implementation of the European Union Network Code on Congestion Management Procedures on BBL Company

Dear Sir/Madam,

GasTerra B.V. appreciates the opportunity to comment on the options for implementation of the European Union Network Code on Congestion Management Procedures for BBL Company. Below you will find our short remarks.

Before all, GasTerra B.V. agrees that currently there is no contractual congestion on BBL. We do support having the mechanisms to deal with contractual congestion in place before any congestion actually occurs, but we stress that those mechanisms shall only be applied when there actually is contractual congestion.

GasTerra B.V. prefers the OSBB option. UIOLI is a crude measure, which would affect the contractual rights of shippers with firm transmission capacity and thus would put security of supply for their customers at risk. It should only be considered if the alternative measures have proven to be unable to resolve the problem of contractual congestion. The OSBB option gives an incentive to the TSO to develop the right balance between the opportunity to achieve additional OS capacity revenues and the risk to incur buy back costs. The TSO is best positioned as regards knowledge and experience to identify such balance. Moreover, application of OSBB would be consistent with the mechanisms of neighbouring TSOs.

However, GasTerra B.V. has some concerns regarding the capping of BBL's total exposure by an annual downside 'pot' under the OSBB option. If the determined maximum exposure is reached, BBL will have to resort to under-allocation. This contradicts with the principle that firm capacity has to remain firm in all circumstances.. Therefore forced buy back should only be applied to the OS capacity. Exempted capacity and already contracted non-exempted capacity should not be pro-rated downwards. It is primarily up to the TSO to manage its exposure by adjusting the quantities of OS capacity to be offered.

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GasTerra remains available for further discussions on the above issue. If you have any questions, please, do not hesitate to contact Ivelina Boneva at ivelina.boneva@gasterra.nl.

Kind Regards,



Herbert van Zijll de Jong

Manager Legal and Regulatory Affairs