

EASEE-gas Press Announcement

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European Gas Industry Agrees on Interconnection Arrangements

As announced today at the European Gas Regulatory Forum in Madrid (the 'Madrid Forum'), the Executive Committee of EASEE-gas, the European Association for the Streamlining of Energy Exchange-gas, has approved two new Common Business Practices (CBPs).

- CBP2005-002/01 defines the minimum scope of an Interconnection Agreement, which describes how to facilitate interoperability of the grids of two adjacent Transmission System Operators ("TSOs") at cross-border interconnection points and, where suitable, at all other major interconnection points.
- CBP2005-003/01 describes the operational procedures and principles to be applied where constraints arise due to unforeseen restrictions in transmission capacity or due to off-specification gas in the system of one of the TSOs. This CBP is to be applied at major interconnection points and will be applied at other interconnection points whenever practical.

Wim Groenendijk, chairman of the Executive Committee says "*These Common Business Practices further improve the interoperability of gas transmission networks and their approval is another important step for EASEE-gas and its members. The agreements are broadly supported throughout the industry and clearly demonstrate that the gas industry is actively co-operating to enhance the development of the liberalised European market.*"

The EASEE-gas Executive Committee, through various Working Groups, will continue to develop Common Business Practices in close consultation with stakeholders, including the Madrid Forum.

Notes

CBPs simplify and streamline business processes and thereby lead to an efficient and effective European gas market. The development of Common Business Practices is managed by an Executive Committee composed of industry representatives from each part of the gas value chain.

The European Gas Regulatory Forum of Madrid was set up to discuss issues regarding the creation of a true internal gas market. The participants are national regulatory authorities, Member States, the European Commission, transmission system operators, gas suppliers and traders, consumers, network users, and gas exchanges. The Forum convenes once or twice a year in Madrid.

EASEE-gas presently has 77 full members (companies active in the European gas market) and 16 associate members (industry associations, government agencies).

There are now six approved CBPs, which can be found on the EASEE-gas website, www.easee-gas.org

For any queries, please contact the Chairman of the EASEE-gas Executive Committee Wim Groenendijk [wim.w.p.groenendijk@shell.com, tel. +31 6 224 80 568] or the EASEE-gas General Manager, Andrew Morris [easee-gas@ilexenergy.com].