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Dear Darren

Consultation on the ZIGMA Model and Implementation of the Capacity Allocation Mechanism and Balancing EU Network Codes

Thank you for the opportunity to respond to the above consultation document. BP wishes to make the following comments to the questions raised in the consultation. These comments are not confidential.

ZIGMA questions (IUK and Fluxys Belgium)

1. What is your general feedback on ZIGMA?

We are supportive of the concept to turn the physical ZeeBeach hub into a virtual hub and market area giving shipper's access to IUK as well as TTF and the ZTP.

The proposed ZIGMA market area will enable IUK, Fluxys Belgium and National Grid to comply with the requirements of the CAM Network Code on bundled capacity.

2. Do you agree that the proposed balancing model is compliant with the BAL Network Code?

We agree that the proposed balancing model set out in the concept document is compliant with the BAL Network Code.

3. We are evaluating whether the balancing contract is in a separate contract or within the IUK Access Agreement (IAA). Do you have a preference?

We would like to see the ZIGMA Balancing Agreement (ZBA) as a separate contract to the IUK Access Agreement (IAA). In our opinion this would give greater flexibility to shippers as they would not necessarily need to sign the IAA to trade at the ZeeBeach hub.

4. The Concept Document meets the requirement in article 26(4) of BAL to consult Stakeholders on Within Day Obligations (WDOs). Do you agree that the WDOs detailed in Appendix 4 are an appropriate set of WDOs?

The WDOs appear to be appropriate for the ZIGMA market area. Mirroring the WDOs that Fluxys Belgium is applying at the ZTP would seem to be sensible.

CAM questions (IUK, Fluxys Belgium and NGG)

5. Do you agree that the proposals set out in Section 3, 4 and 5 are compliant with the CAM Network Code?

We agree that the proposals set out in section 3, 4 and 5 are in line with the CAM network code.

6. The Concept Document meets the requirement in article 8(9) of CAM to consult Stakeholders on the capacity to be set aside for short-term auctions. Do you support the quantity of capacity to be set aside for short-term auctions defined in sections 3.4.5 and 4.4.3 of the Concept Document?

The amount of capacity to be set aside for the short term auction is consistent with the minimum requirements of the CAM Network Code; as such we support the proposal.

7. Do you support the proposal that surrendered capacity that is not reallocated in an auction is not automatically rolled forward to future auctions?

We suggest that the shipper is given the choice to indicate whether they wish the capacity to be rolled over. However, if they then decide that they wish to use the capacity in the long term they should be able to withdraw it from the auction as long as it is not during the auction window.

We hope that you find these comments helpful. If you wish to discuss further please don't hesitate to contact me on the number above.

Yours sincerely

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