10 November 2026

Capacity Allocation Mechanism Network Code Revision

Eurogas Recommendations

Eurogas welcomes the European Commission's revision of the Network Code on Capacity Allocation Mechanisms (CAM NC). Eurogas particularly welcomes the introduction of new capacity products, more frequent additional auctions, greater transparency on capacity calculation and maximisation, and provisions for Balance-of-the-Month (BoM) capacity tariffs. These improvements can enhance market responsiveness, facilitate capacity optimisation, improve the utilisation of existing infrastructure and enable network users to align transport capacity more closely with their commercial positions.

At the same time, the revised framework should preserve sufficient flexibility for market participants, ensure that new products are available on workable terms, and provide adequate implementation time for TSOs and booking platforms to make those products available. Eurogas therefore calls for further improvements to auction arrangements, including introducing weekly and Balance-of-Week products, and ensuring that interruptible capacity is available for BoM bookings. A clear and proportionate framework for incremental capacity should also be retained, while operational notification periods should be extended to at least one day.

Summary of recommendations

Eurogas recommends that the Commission and relevant authorities:

1. Ensure sufficient implementation time for the new monthly and BoM auction arrangements, particularly those scheduled to apply from gas year 2027/28 (for which the auction calendar is expected to be published by January 2027), to allow TSOs and booking platforms to adapt and test their systems. In addition, clear transitional provisions are needed to provide certainty to both TSOs and network users, including the specification of the first auctions to fall under the revised rules.

2. Consider introducing weekly and Balance-of-Week products to provide greater flexibility for matching transport capacity with commodity transactions and delivery schedules.

3. Retain a clear and predictable incremental capacity process, ensuring that justified capacity needs can be assessed and addressed while streamlining unnecessary procedural requirements.

4. Make Balance-of-Month capacity available on an interruptible basis, on top of firm products, allowing users of interruptible capacity to benefit from the new product.

5. Maintain a minimum one-day notification period for auction parameters and available capacity, rather than the proposed 12 hours, to ensure adequate operational preparation.

6. Clarify the rationale for and expected benefits of applying the new UPA mechanism in additional auctions and explain the rationale and practical implications of the shift from maximum technical to maximum firm capacity.

7. Ensure effective NRA enforcement of capacity calculation and maximisation obligations so that increased transparency results in actual capacity availability for the market.

Capacity calculation and maximisation [Articles 6 and 7]

Eurogas strongly supports the enhanced requirements on TSOs to recalculate and maximise firm capacity, alongside greater transparency on the methodologies and assumptions used. Publishing information on the technical capacity calculation and maximisation of underlying firm and interruptible capacities, the impact of system integrity and operational constraints, and the relationship between offered capacity and maximum available capacity should improve market visibility and confidence.

Eurogas emphasises that these provisions must be accompanied by effective enforcement by National Regulatory Authorities (NRAs), so that transparency translates into actual capacity availability and release to the market. TSOs should also consult network users on the methodologies applied and on the implications of capacity reductions, including for security of supply.

Further clarification is needed regarding the reference to maximum firm capacity rather than maximum technical capacity. An explanation of the rationale for this change and its practical implications for capacity calculation and maximisation would be welcomed by the industry.

Allocation methodology [Article 8]

Eurogas welcomes the requirement for at least 10% of existing technical capacity at each interconnection point to be offered no earlier than at the quarterly capacity auction. This approach supports the availability of shorter-term products while retaining access to longer-term capacity.

Standard capacity products and Balance-of-the-Month capacity [Article 10]

Eurogas welcomes the introduction of the BoM capacity product. This additional flexibility can help market participants respond to changing commodity positions, optimise capacity procurement closer to delivery, and reduce defensive over-booking.

Eurogas also welcomes the clarification of the BoM tariff framework under the revision of the Tariff Network Code, which provides for the NRA to set the applicable multiplier between the monthly and daily multipliers.

To ensure that the new product delivers its intended benefits, Eurogas recommends that the BoM auction schedule be designed to complement, rather than distort, day-ahead capacity auctions. The product should also be available on an interruptible basis, as discussed further below.

Monthly capacity auctions [Article 14]

Eurogas notes that the revised provisions introduce monthly products (via the existing Ascending Clock Auctioning process) for each quarter, with application from gas year 2027/28.

Rue d'Arlon 80 | 1040 Brussels, Belgium | www.eurogas.org | EU Transparency Register: 17909506129-41

Eurogas recommends ensuring that the implementation timeline provides sufficient time for TSOs and booking platforms to adapt, test and validate their systems and processes. The introduction of new products and more complex auction arrangements requires appropriate technical preparation, testing and robust contingency procedures to avoid operational errors, delayed or inconsistent booking confirmations, auctions disruptions and unintended consequences for market participants.

Additional UPA auctions [Article 15]

Eurogas welcomes the requirement for additional Uniform Price auctions (UPA) to take place on a weekly basis. Re-offering unsold capacity more frequently can improve capacity utilisation and provide market participants with further opportunities to secure capacity in line with their evolving commodity positions.

Eurogas also welcomes the clarification that additional UPA auctions should offer only the upcoming relevant period. To ensure that the framework remains effective, the auction calendar should clearly identify the timing and availability of additional products. Where capacity remains unsold following an auction, the framework should also facilitate its continued availability to the market, as set out in the recommendations on auction algorithms below.

Eurogas considers the proposed one-hour notice for publishing capacity available in additional auctions insufficient, particularly for yearly, quarterly and monthly products. TSOs should publish available capacity at least one day before the auction to allow market participants to assess their needs and prepare bids.

Balance-of-Month auctions [Article 16]

Eurogas welcomes the clarification of the BoM auction modalities and the introduction of a dedicated BoM auction mechanism in the scope of the UPA scheme.

As with the new monthly auction arrangements, Eurogas recommends ensuring that the application date of gas year 2027/28 leaves sufficient time for TSOs and booking platforms to implement and test the necessary changes. Appropriate transitional arrangements are important to ensure that the new product can be introduced reliably and consistently across interconnection points.

Auction algorithms [Article 19]

Eurogas recognises the operational rationale for applying the Uniform Price Auction (UPA) mechanism to additional auctions, particularly given their increased frequency and the objective of enabling efficient capacity allocation. However, further clarification of the rationale for applying UPA to additional auctions, where the same standard products are allocated through the Ascending Clock Auction in the primary auction process, would be welcome.

The revised provisions should also clarify the availability of BoM products on an interruptible basis and ensure that auction arrangements do not unnecessarily limit access to available capacity.

Ascending clock auction algorithm [Article 20]

Rue d'Arlon 80 | 1040 Brussels, Belgium | www.eurogas.org | EU Transparency Register: 17909506129-41

Eurogas supports the proposal of the Commission, but notes that there seems to be a wording error. Therefore, Eurogas suggests the following amendment:

"2. The duration between the first bidding and the ~~**last**~~ ***next*** bidding round shall not be less than 30 minutes and not exceed three hours. [...]"

Incremental capacity process: Market Demand Assessment [Article 25]

Eurogas understands the Commission's intention to streamline the incremental capacity process and place greater emphasis on optimising existing infrastructure. Nevertheless, streamlining should not come at the expense of a clear, predictable and proportionate process for assessing and addressing justified incremental capacity needs.

Where market demand and system requirements indicate that incremental capacity may be needed, the framework should retain sufficient procedural discipline to enable an assessment and, where justified, the initiation of a process. This is important for maintaining predictability for network users and supporting cross-border capacity development where existing infrastructure cannot adequately meet market needs.

Eurogas therefore recommends retaining a clear minimum framework for market demand assessment and the subsequent consideration of incremental capacity projects, where incremental capacity is systematically justified, while allowing NRAs appropriate discretion to reflect national circumstances.

Interruptible capacity [Article 27]

Eurogas welcomes the provision intended to prevent interruptible capacity levels in the counterflow direction from being unduly restricted below nominations in the forward-flow direction, while safeguarding system integrity. More generally, the offer of interruptible capacity should not be artificially limited: demand should adjust to the risk of interruption, supported by transparent information on capacity availability and interruption probability, based on clear, explicit interruptiblity criteria. Better use of counterflow and interruptible capacity can improve infrastructure utilisation and expand the capacity options available to network users.

However, Eurogas regrets that the revised text does not provide for BoM auctions for interruptible capacity. The BoM product should be available for both firm and interruptible capacity, ensuring that network users relying on interruptible products can benefit from the same short-term optimisation opportunities.

Eurogas recommends including interruptible BoM capacity in the revised framework, with appropriate arrangements to reflect system integrity requirements and the characteristics of interruptible capacity.

Additionally, Eurogas recommends retaining "was sold at an auction premium" in Article 27(1), as currently provided for in Article 32(1) of Regulation (EU) 2017/459. An auction premium indicates scarcity of firm capacity and justifies offering interruptible capacity as an additional option for network users. As Article 27(3) already ensures that this must not reduce the amount of firm capacity offered, removing this criterion would unnecessarily limit network users' flexibility. We further reiterate our request to allow unbundled interruptible day-ahead capacity to be offered even where firm capacity is not sold out, enabling shippers with legacy

Rue d'Arlon 80 | 1040 Brussels, Belgium | www.eurogas.org | EU Transparency Register: 17909506129-41

contracts to fulfil their contractual obligations. As a compromise, this could be introduced as a mandatory assessment rather than an obligation to offer such capacity.

Specification of technical parameters concerning the auction calendar [Article 33(b)]

Eurogas recommends retaining a minimum notification period of one full day, rather than 12 hours, for the publication of available capacity and changes to relevant auction parameters.

A 12-hour period may fall overnight and leave market participants and operational teams insufficient time to assess available capacity, adjust booking strategies and coordinate the necessary operational arrangements. A minimum one-day notification period would provide greater predictability and reduce the risk of operational errors, particularly for long-term products and complex interconnection points involving multiple TSOs and booking platforms.

Additional standard capacity products: Weekly and Balance-of-Week capacity

Eurogas would have welcomed the introduction of additional short-term products, particularly weekly and Balance-of-Week (BoW) capacity. These products could better align transport capacity with commodity transactions and delivery schedules, especially where LNG regasification takes place over a limited number of days within a month.

Existing monthly and daily products do not always provide the flexibility needed to match these delivery patterns efficiently. Weekly and BoW products would offer an additional optimisation tool, helping market participants improve the utilisation of existing infrastructure.

Eurogas therefore recommends that the Commission considers introducing weekly and BoW capacity products.

Eurogas stands ready to engage constructively with the Commission, ACER, ENTSOG and stakeholders to ensure that the revised CAM NC supports efficient capacity allocation, market flexibility and the reliable operation of the European gas market.

About Eurogas:

Eurogas is an association of over one hundred members representing gaseous energy in Europe. We lead the sector's transition to climate neutrality through dialogue with stakeholders and policymakers, so that gas can be effectively used for the decarbonisation of Europe's energy sector. We are active throughout the gas sector value chain, including renewable and low-carbon gases, their derivatives and carbon capture utilisation and storage. Our members cover wholesale and retail gas markets, the distribution of gaseous energies and the use of gas in transport. We also represent technology providers including companies active on value chain methane emissions management.

https://www.eurogas.org