

# Gas markets integration: benefits for customer

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6th Traditional and Renewable Energy Forum  
Vilnius, 26 April 2017

## Changes

- Gas market opening in Latvia from April 2017:
  - Same energy unit:  $m^3 \rightarrow MWh$ ;
  - TPA to Latvian UGS;
  - TPA to Latvian transmission grid, end users.
- Establishment of gas exchange market areas in LV and EE
- Implicit capacity allocation model from July 1, 2017

## Benefits

- Unified transmission tariff application in Baltic States:
  - No energy losses by transporting gas via Region;
  - Possibility to utilize summer/winter price arbitration;
  - Increased market size/consumer choice.
- Access to market-based gas pricing in LT, LV, EE
- „Automatic“ transmission capacity allocation at IPs for the gas traded on the Gas Exchange

# Regional Gas Market 2020: Transparent, Simple, Easy



## Single entry-exit zone

- IPs between the Member States are commercially removed
- No capacity products are sold and booked there
- The gas can be freely transported within the system to any location in any country of the region
- United tariff regime

## Single virtual trading point

- A virtual area between all the entry points and all the exit points in the merged market zone

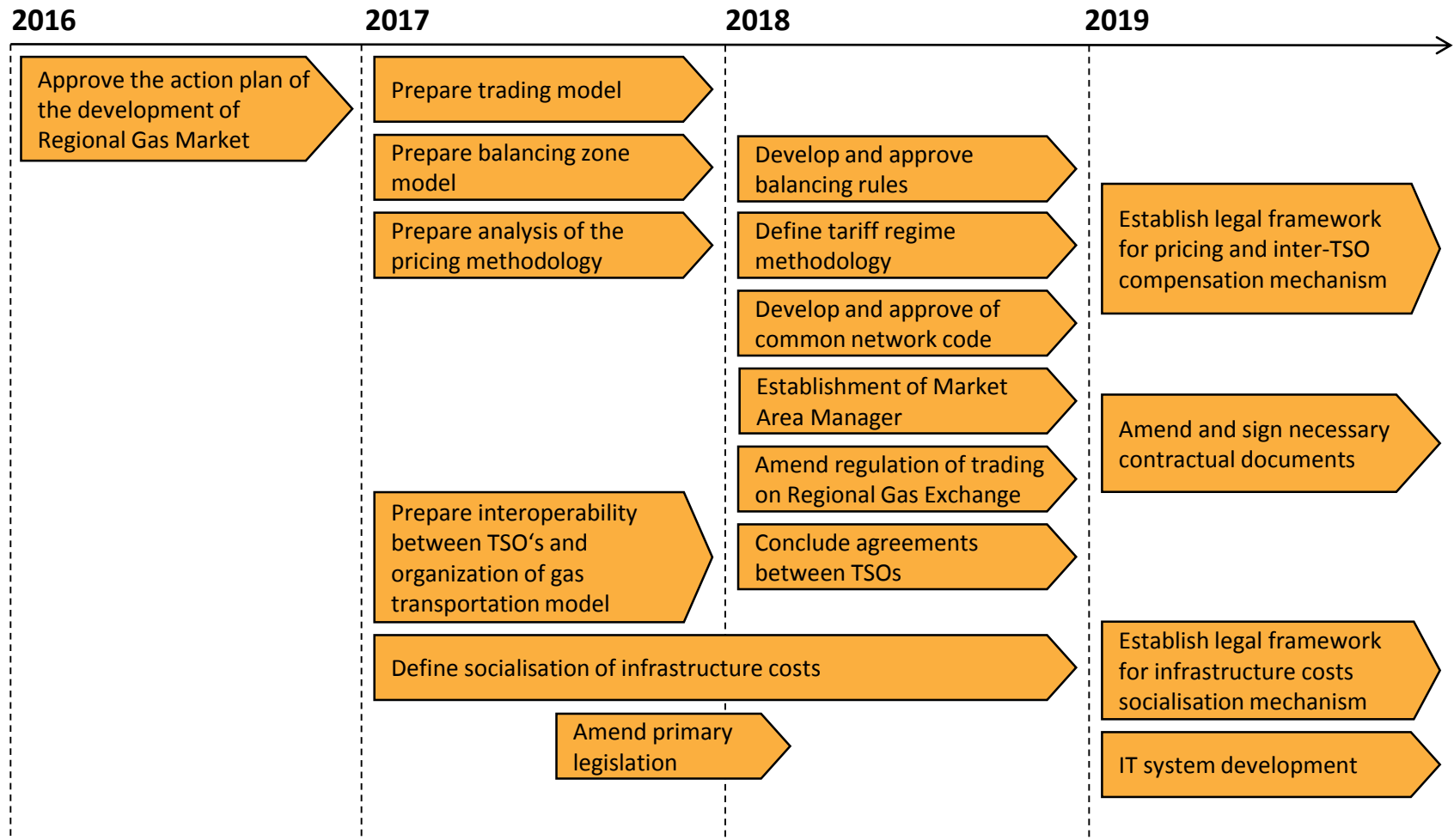
## Single balancing zone

- Harmonized balancing and settlement regime

## Market area manager

- A joint venture of the TSOs of the merged market zone (could be the same person, which provides gas exchange services)
- The company manages VTP nominations, balancing and imbalance settlement

# In between: Action Plan for Regional Market Zone



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**Something else?**  
**Time to order!**