

EU THIRD PACKAGE – TRANSPOSITION NOTE

DIRECTIVE – GAS DIRECTIVE (2009/73/EC)

The Gas Transporter (Modification of Licence Conditions) Regulations 2011 - Annex

These Regulations implement certain obligations in the Gas Directive (listed below) in relation to gas transporters whose licences are subject to standard special conditions.

A separate note has been prepared in relation to the way in which the remainder of the Gas Directive has been implemented in GB (including the way in which obligations listed below have been imposed on gas transporters whose licences are not subject to standard special conditions).

Article	Objective	Implementation
3 (6) (a)	Requires Member States to ensure that customers who wish to switch suppliers are switched within three weeks, whilst respecting contractual conditions.	The insertion of paragraph 6A into Standard Special Condition of the Gas Transporter Licence A11 facilitates supplier transfers.
7 (4)	Requires that where vertically integrated Transmission System Operators (TSOs) participate in a joint undertaking, they establish and implement a compliance programme that must be approved by the Agency for the Co-operation of Energy Regulators (ACER).	Standard Special Condition B5 of the Gas Transporter Licence places a new requirement on gas transporters who are vertically integrated undertakings to comply with a compliance programme, where they participate in a joint undertaking, for the promotion of regional cooperation.
10 (4)	Requires regulatory authorities to open a certification procedure to ensure continuing compliance with Article 9 of the Gas Directive.	New Standard Special Condition B4 of the Gas Transporter Licence places an obligation on gas transporters to notify the regulatory authority of changes affecting certification.
13 (2)	Sets out the tasks of transmission, storage and LNG operators. This includes an obligation on TSOs to build cross-border capacity where reasonable and necessary for European integration.	New Standard Special Condition B3 of the Gas Transporter Licence places an obligation on licensees to ensure that there is sufficient cross-border capacity for the integration of European transmission infrastructure.
26	Sets out the requirement that generation and	Amendments to Standard Special Conditions A33 and A35 of the Gas

	production undertakings must be legally and functionally unbundled from distribution.	Transporter Licence better implement functional unbundling of distribution from gas production.
31	Requires gas undertakings to draw up, submit, audit and publish their annual accounts, and keep separate accounts for transmission, distribution, LNG and storage and other activities.	New paragraph 1A has been inserted into Standard Special Condition A30 of the Gas Transporter Licence to better implement the necessary accounting requirements.
32	Requires Member States to ensure the implementation of the third party access system for transmission, distribution and LNG facilities.	Standard Special Condition A5 of the Gas Transporter Licence, governing obligations as regard charging methodology, has been amended to ensure compliance with relevant legally binding decisions of the European Commission and ACER, and the Gas Regulation.
39 (4)	Requires Member States to guarantee the independence and autonomy of the regulatory authority and to ensure that its exercises its powers impartially and transparently.	We have deleted Standard Special Conditions A1, A2, B1, B2, D1 and D2 of the Gas Transporter Licence, which prevented the Authority from modifying standard special conditions if a certain number of licence holders objected, as these were incompatible with the requirements relating to the National Regulatory Authority's independence and autonomy from industry.
41 (1) (d), (4), (5)	These provisions require the Regulatory Authority's independence and autonomy, and place duties upon it to ensure compliance with and implementation of any relevant legally binding decisions of the European Commission and/or ACER.	In addition to the deletion of Standard Special Conditions A1, A2, B1, B2, D1 and D2 mentioned above, Standard Special Conditions A5 and A11 of the Gas Transporter Licence have been amended to enable the regulatory authority to propose code modifications in order to implement binding decisions and ensure compliance with the Third Package Gas Regulation. In addition, Standard Special Condition A26 of the Gas Transporter Licence has been amended to enable the Authority to request information in relation to its functions under the Gas Directive or Gas Regulation.