



September 15, 2014

Contribution of Uprigaz to ACER's consultation  
on a common Iberian Natural Gas Market

Uprigaz is fully supportive of the efforts engaged by ACER, CNMO, ERSE and the Spanish and Portuguese TSOs for a better integration of the Iberian wholesale gas market through the development of a common Iberian Gas Hub and market place.

The target should be to introduce a fairer price reference for the gas traded on the Iberian market and, as a further step, to enhance market-based cross-border natural gas transactions across the Southern Europe region.

UPRIGAZ is in favour of the *Implicit Allocation of Capacity* mechanism as a first step to nurture liquidity on the Iberian gas market and foster market integration. The feedback on implementation of *Market Coupling* in France suggests that this step can be developed without major difficulties. In the case of the Iberian market, the implicit allocation model is advisable, since it does not require a high level on harmonisation of national legislations.

UPRIGAZ is not however advocating for one specific model of integration, so long as the Spanish and Portuguese stakeholders are committed to develop, as soon as possible, an effective and liquid Iberian hub and marketplace, allowing the emergence of a fully representative pricing of natural gas on the Iberian market.