

Summary of replies to the public consultation on the pricing principles for utilisation of natural gas distribution systems

From 21 July to 16 September 2005, CRE organised a public consultation on the pricing principles for utilisation of natural gas distribution systems in France.

23 replies were received: 5 from consumers and representative associations, 9 from suppliers, 8 from natural gas distribution system operators (GRD) and 1 from the Fédération nationale des collectivités concédantes et régies (FNCCR). In the rest of this document, consumers and suppliers are grouped together under the term market players.

This consultation follows on from hearings held by CRE with the market players and distribution system operators (GRD) on 19 July 2005, contributing to the drafting of the consultation technical document.

Contributors declared themselves as being largely satisfied with the general tariff structure, even if the market players expect to see substantial improvements for certain points.

However, numerous market players consider that the tariff level is too high and does not enable newcomers to compete with regulated retail prices under proper conditions. The tariff level for utilisation of local distribution companies' systems (ELD) even results in certain suppliers having to restrict their development to Gaz de France zones.

Question 1: *Do you have any experience feedback on current tariffs and terms for natural gas distribution systems?*

Market players

Experience feedback since 1 July 2004 has highlighted four main problems: the tariff level and disparity between local distribution company tariffs and those of Gaz de France, the penalty level, interpretation, deemed too restrictive, made by certain DSOs of the notion of delivery point and the cost of the special meter reading for changing suppliers which is obligatory.

Tariff level:

On the whole, market players consider that the tariff level is too high.

One supplier has made a benchmarking with several European countries and observed that prices adopted by distribution system operators in France are above the average in countries such as, Belgium, Holland and the United Kingdom.

Another supplier mentions the case of tariff T4 for consumers of an annual volume of more than 5 GWh who are penalised by the high level of this tariff compared to equivalent consumers connected to transmission networks. This supplier would like to see the average level of tariff T4 reduced and the cost more significantly decreased as volume increases.

Five market players are amazed by the high disparity of tariffs between those of local distribution companies and those of Gaz de France, which from the suppliers' point of view, therefore rules out certain communes for opening up of the markets and from the customers' point of view fosters competitive imbalances within certain professions.

One supplier would like to see equalisation throughout the country with one single tariff for all distribution networks.

Penalty level:

Most market players think that penalties due in the event of exceeding capacity are too high and highlight the fact that they are higher than those included in the integrated retail prices in force. This point is covered by question 7.

Notion of delivery point:

Five market players have criticised the interpretation made by certain DSOs of the notion of delivery point, deemed too restrictive. Nowadays, DSOs invoice the same amount of fees for subscription and metering as there are metering and estimation points (PCE) on the same site. This arrangement constitutes a barrier for exercising eligibility for distribution, as the portfolio effect of capacities and globalisation of subscriptions are authorised for consumers staying at administered tariffs.

Cost and obligatory nature of the special meter reading for changing suppliers:

Several suppliers have criticised the price of the special meter reading for changing suppliers and its obligatory nature, when this involves a recurrent operation within a competitive context.

One of them has indicated that the price of this meter reading accounts for around two thirds of gross annual margin for a household customer with three usages and that the cost of this service cannot be passed on to the customer. For this supplier, this represents a major economic curb on development of competition and he proposes to transform this service which is currently obligatory into an optional meter reading at the new supplier's discretion.

Distribution system operators

Gaz de France Réseau Distribution has not noticed any particular problems and suggests to continue the existing pricing structure.

Local distribution companies have provided very little experience feedback since 1 July 2004, in so far as:

- Only Gaz de Strasbourg has applied the tariffs to a newcomer;
- Only Gaz de Bordeaux has implemented the information systems for application of the tariff to each consumption point, the other local distribution companies apply the tariff in the form of a general protocol with the incumbent supplier.

Gaz de Bordeaux has pointed out that application of penalties for exceeding the capacity has revealed the shortfall in subscription levels of certain tertiary and industrial customers on its network.

Question 2: *What do you think of the principles adopted by CRE to determine operators' authorised revenue level (RAB valuation method, rate of return on invested capital, etc)?*

Market players

Most suppliers think that the rate of return on invested capital is too high. Given the risk profile for the activity, one participant suggests a maximum rate of 6.5 %. Another participant thinks that the difference between the rates of return applied to electricity (6.5 %) and to gas (7.75 %) is not justified. Several players consider that the rate of return applied to gas distribution should be much lower than that applied to gas transmission as the distribution activity is franchised and therefore not subject to potential competition.

Several players have criticised the RAB method of calculation. Two participants think that the consumer price index excluding tobacco adopted for asset revaluation is inappropriate and they suggest using an index of "labour price" and "industrial price" type. One participant has suggested that the RAB value could be lowered by applying the method of replacement cost. Two players have complained about the lack of transparency in the method for determining initial RAB value.

Two participants regret that there is no *ex ante* checking of operator investments by CRE. They especially highlighted the fact that network extensions which proved to be of insufficient return would automatically result in increased tariff levels and it is the public authorities' responsibility to prevent such imbalances.

One supplier insists that the next distribution tariffs must be lowered to take into account pension reforms and compensate for introduction of transportation pricing contribution (CTA).

DSOs and franchising authorities

Gaz de France Réseau Distribution approves of the principles for establishing operating and capital costs and thinks they could act as a basis for a pricing period over several years. The operator has nevertheless requested the incorporation of several adjustments to costs, mainly those concerning transfer of allowances and payments obtained from beneficiaries of investments and inclusion in distributor costs of an annual amount for dismantling (reconstitution of sites after the operating period of gas distribution installations), in compliance with its accounting obligations.

One local distribution company insists on the need for continuity between the principles adopted for determining the initial tariff and revision underway.

Several local distribution companies insist on the need for taking into account investment drives requested by the public authorities mainly for reducing cast-iron. One local distribution company has confirmed that a drop in the rate of return might adversely affect its ability to fulfil its investment programme, including investments required for compliance with service obligations up to a risk of 2%

One local distribution company would like to see climatic risks taken into account. It highlights the fact that, by the absence of corrective mechanisms, the system proposed by CRE exposes the operators to significant risks of variation of quantities actually transported compared to the hypotheses adopted for determining the tariff. Such variations could result from raising the price of natural gas and more simply a difference in temperature compared to the average climatic year adopted as a basic hypothesis. This local distribution company envisages the possibility of taking out insurance coverage for this risk and wonders about the possibility of including the potential cost of this insurance in expenses to be covered by the tariff. Another possibility envisaged would be to increase the fixed tariff fees.

Two local distribution companies have confirmed that productivity gains can only involve operating costs. One local distribution company would like any productivity targets to be related to quality indicators.

The FNCCR regrets that the investment hypotheses underlying capital costs are not made public.

Question 3: *Do you think that the share of customer management costs for public distribution, currently borne to the tune of 50% by tariffs for access to distribution systems should be quite significantly reduced, for example to 20%, so as to take into account the increasing role of suppliers in management of customer relations?*

Market players

Most market players are in favour of decreasing the share of customer management costs allocated to DSOs.

Seven of them think that the envisaged rate of 20% must be considered a maximum. Some of them have indicated that the costs to be covered are those related to distribution transportation contracts, excluding expenses of a commercial and financial nature such as information provided for customers, billing, debt recovery and litigation.

Others have pointed out that suppliers must bear customer management costs more and more directly, mainly concerning customers consuming less than 2 GWh per year, for whom distributors require suppliers to ensure customer interface.

One customer considers that the rate of 20% for DSOs is too low for him to maintain direct relations with the network operator, given the issues concerning connection and delivery terms. This customer has suggested adopting a percentage taking into account services provided by the DSO for each category of customers and the rate of exercising eligibility for each of them.

One supplier, while specifying that commercial outlay related to the development of gas usages must be excluded from the regulated scope, assesses, within the current context, the percentage of customer management costs to be borne by the DSO at 40%.

DSOs

Amongst the DSOs who expressed an opinion, 4 of them, Gaz de France and 3 local distribution companies recognise the increased role of suppliers in the management of customer relations, but consider that it is premature to decrease the share allocated to the DSO in line with the proportions mentioned in the consultation document.

Gaz de France Réseau Distribution considers that it is important for DSOs to be able to guide end consumers at the time of opening up of the market and to keep them informed on the players' operations and role. It proposes maintaining current balances and to wait for the following pricing period before ruling on this point, after initial experience feedback on complete opening up of the market to competition.

One local distribution company deems that such a decision would pre-empt the options currently under discussion within the framework of the gas working group (GTG 2007) concerning methods for newcomers' incorporation of all customers' requests, except for connection requests and safety operations. Consequently, it thinks that it would be wise to provide, for at least a few years after 1 July 2007, specific means for receipt and management of customer requests within the DSOs and that within this framework it does not seem possible to go below 30%.

The third one considers that management costs for DSO customer relations are increasing compared to the past (for example, analysis and communication provided to suppliers as regards exceeding the subscribed volumes for T4 and TP customers, input and management of services in the catalogue of services, etc). This distributor would like to see the DSO share in management of customer relations only gradually lowered compared to the current situation.

The other local distribution companies which replied to the consultation favoured the *status quo* (allocation of 50% of customer management costs to the DSO). One of them points out that new operations such as profiling and its processing, changing suppliers, transportation invoicing and data exchanges have been added to the DSO's previous remit. For another one, development of information systems, management of supplier changes, information provided to customers concerning these changes, periodic checking of meters, management of customer calls concerning safety of internal installations, etc, argue for maintaining the status quo.

Question 4: Do you think that fees paid by certain local distribution companies to franchising authorities, with no recompense other than authorisation granted to these operators to be the sole operator within the franchise jurisdiction should be included amongst charges covered by tariffs for utilisation of natural gas distribution systems?

Market players

The market players are against the incorporation of fees paid out by certain local distribution companies to the franchising companies concerned with no recompense other than authorisation granted to these operators to be the sole operator within the franchise jurisdiction. Several of them indicated that due to opening of the market to competition, payment of these fees is passed on to all suppliers through the network access tariff without their receiving any recompense.

In addition, one of the suppliers considers that as these fees are proper to each of the franchising authorities, their integration only accentuates the differences in the various local distribution companies' tariffs.

One market player reckons that it is the local distribution companies' responsibility to obtain revision of this fee mechanism because of loss of the sales monopoly due to opening of the market.

DSOs and franchising authorities

The local distribution companies seem to differ in opinion.

One of them thinks that fees other than those related to making network resources available should not be incorporated in the tariffs as they come under agreements concluded between the franchising authorities and the operating company.

On the other hand, four local distribution companies consider that franchise fees constitute a real burden for the DSO concerned and that it therefore constitutes costs to be recovered by tariffs for network utilisation.

Between these two stances, one local distribution company does not want the ground rules to be changed and requests that franchise fees be integrated until the end of ongoing contracts. In the operator's opinion, for new franchises and franchise renewal, regulatory methods should define the rules applicable by the DSOs concerning fees, in order to prevent the fee argument from becoming the selection criteria for franchising authorities (allocation to the "highest bidder"). The amount of these regulated fees should continue to feature in the DSO's recognised expenses.

The FNCCR considers that franchise fees paid to the managing authorities for public gas distribution are legitimate if they do not come under the scope of prohibition of coverage by the proxy of foreign financing for the subject of the delegation, as resulting from Article L 1411-2 of the general code for territorial communities.

Question 5: Would you like the next pricing validity to expire on 1 July 2007 or extend beyond then?

Market players

As a general rule, market players would like stability of the pricing framework for utilisation of distribution networks so as to benefit from good visibility. However, the replies differed as to the duration of application deemed appropriate.

Two suppliers consider that the duration of application envisaged by CRE is satisfactory.

Two market players would like to see a period of validity as long as possible.

The other contributions distinguish durations of validity of the structure and of the level. Concerning pricing structure, three contributions would like a period of validity of a minimum of 5 years, another mentions a minimum period of 3 years, whereas the level of tariffs would be reviewed with shorter deadlines.

Four market players are in favour of revision of the level of tariffs for the deadline of 1 July 2007. One supplier envisages annual revisions whilst another proposes revision depending on developments in DSO productivity.

Another supplier deems it important for the structure to be fixed and stable for several years, with only adjustments to the level to be carried out.

Two market players would like productivity targets assigned to operators for 2006 and 2007 to be published and of a sufficient incentive nature, referring to the productivity target included in the public service contract between the State and Gaz de France. Another contribution suggests that the regulation system could be improved by setting up mechanisms encouraging operators to make productivity gains, providing that these arrangements do not adversely affect the quality of service provided.

DSOs

The DSOs' replies were also divergent.

Three local distribution companies consider that the duration of application envisaged by CRE is satisfactory.

Gaz de France Réseau Distribution and two local distribution companies would like visibility beyond the deadline of 1 July 2007. Two of them would like a pricing period up to 31 December 2008, whilst the third favours a longer duration of 4 to 5 years.

Gaz de France Réseau Distribution proposes introduction in the tariff of a revision of the formula of RPI – X type indicating a productivity target. Gaz de France Réseau Distribution indicates that such a formula should mention an additional fee to cover certain obligations imposed on the distributor at the initiative of the public authorities and franchising authorities.

Question 6: *Do you think that a mechanism for monitoring quality of service is necessary? What elements of quality of service would you like to see monitored? And how?*

Market players

All market players are in favour of monitoring quality of service provided by DSOs, especially if productivity targets are assigned to them.

Concerning elements of quality of service to be monitored, market players tend to focus on the quality of data transmitted by DSOs and compliance with deadlines for transmission of this data.

Four suppliers would like distributor-supplier relations to be promptly covered by a QA approach and certification. One of them thinks that these commitments should be subject to penalties for non-compliance.

One market player indicated that lack of coordination of information within Gaz de France Réseau Distribution and delays and blockages, whether concerning shippers or customers, curb offer brokering, quality of billing, etc and therefore customer satisfaction and consequently opening up of the market. This participant would like DSOs to set up a customer service for shippers so as to have a single contact to respond to operational blockages on a daily basis.

In a more detailed manner, market players would like the following items to be monitored:

- DSOs' information systems and more generally quality of data exchanges and of information between DSOs and suppliers (transmission deadlines, content, reliability, etc);
- DSOs' deadlines for providing services, honouring of commitments made, especially: deadlines for response to requests, drawing up of new contracts, connection for new consumption sites, carrying out new connections and meter reading;
- Quality of gas;
- Profiling system;
- Continuity of supply and repairs;
- Reliability of meter reading values and compliance with dates for their communication.

One supplier proposes that CRE launch a quality inquiry with consumer customers on the one hand and with the shippers on the other. Its aim would be to analyse the two main priorities: compliance with deadlines for communication of information and reliability of the information transmitted to the various entities by the DSO.

One contributor has requested the setting up, for certain particularly sensitive customers, of a warning system in the event of temporary rupture of supply in order to have the time to use the alternative heating solution.

DSOs and franchising authorities

DSOs and franchising authorities are also in favour of setting up quality of service indicators for distribution networks.

Concerning the elements of quality to be monitored, there is a difference of approach between the DSOs and the market players, with the former mainly proposing indicators focussing on network safety and regulatory obligations:

- Emergency maintenance operations: average maintenance time and rate of maintenance carried out in less than one hour;
- Network leaktightness;
- Checking of third party works;

- Regulatory obligations concerning metering: checking of meters;
- Compliance with deadlines announced in the catalogue of services.

Gaz de France Réseau Distribution also proposes the setting up of indicators of perceived quality. However, it deems it premature to establish a link between distributor revenue and monitoring of quality of service. Observation of indicators selected after study would in its opinion be a solution to be initially fostered.

One DSO also proposes monitoring of network capacity for servicing customers with climatic risk of 2%.

The FNCCR suggests that quality control be based on information systems independent of the DSO, near the field and accompanied by penalties.

Question 7: *What do you think of the general principles governing pricing structure (cf. § 3.1 of this technical consultation document)?*

Market players

As a general rule, market players declared themselves satisfied with the current structure, apart from issues raised in questions 1 and 13. Several of them would like the current structure to be sustained, so as to provide a certain amount of stability for commercial offers and not to complexify too much all the commercial management and accounting tools.

Three market players would like CRE to clarify the method adopted for “preventing any cross-subsidy between the different customer segments” allocated to pricing options T1 to T4.

Three suppliers would like the structure of pricing options to reflect the structure of regulated retail tariffs.

One of them proposes the creation of two fresh options, between 30 and 300 MWh and between 1 GWh and 5 GWh, to take into account the ceiling effect between the regulated retail tariffs B1 and B2I of Gaz de France and the bracket system proper to the regulated tariff B2S of Gaz de France.

Another proposes the suppression of the principle of geographic equalisation and introduction in the tariff for utilisation of distribution networks of a coefficient corresponding to the level of tariff B2S of Gaz de France for each commune.

Lastly, three market players regret that interruptible subscriptions are not proposed in the tariff for utilisation of distribution networks.

DSOs

The DSOs which have expressed an opinion regarding this issue are mostly satisfied with the current pricing structure. They do not want to change the principles enforced due to lack of experience feedback and because they need a stable framework for the completion of ongoing transformations, mainly concerning information systems.

One local distribution company considers that the T2 option could be split into 2 distinct segments.

Question 8: *Do you think that specific pricing terms should be provided for second tier distribution systems?*

Market players

Market players who replied to this question are mostly in favour of as much simplicity as possible.

Market players are not against setting up specific pricing terms, providing this is economically justified and does not lead to the introduction of an additional tariff.

Three market players would like for the principle to be adopted to result in shippers not needing to sign a distribution contract with the DSO downstream. Transportation costs for the distribution network upstream would thus be borne by the DSO downstream and corresponding costs incorporated in the latter's transportation tariff.

In addition, these three contributors regret that pricing principles for transportation and allocation of quantities for DSOs dependent on other DSOs are not clear.

DSOs

The DSOs are mostly in favour of specific terms for transportation to a distribution network downstream.

Gaz de France Réseau Distribution and one local distribution company propose that costs borne by the first tier DSO to supply the second tier DSO should be subject to a contract between the two DSOs (Distribution – Distribution interface contract). The corresponding amount would be included in the second tier DSO's authorised revenue level.

Two local distribution companies consider transportation services for delivery to a second tier distribution network as prolongation of transmission and suggest that the first tier DSO be paid by the transmission network on the basis of differential in the regional pricing level between the first tier DSO and the second tier DSO.

One local distribution company proposes to charge suppliers active in the second tier DSO service zone only the distribution costs assigned by the first tier DSO in this zone. In its opinion, this approach is in compliance with the spirit of the law of 3 January 2003 which under heading II article 7, provides for exemption from the tariffs for third party access to distribution networks, especially in the case of transit. In this case, it proposes simplification of the pricing structure by only considering a single fee in €/MWh.

Two local distribution companies propose that the first tier DSO's capital and operating costs are allocated to the second tier DSO on a pro rata basis of peak flows with 2% risk.

Question 9: *Do you think that the level of penalties for exceeding capacities should be reduced?*

Market players

All market players are in favour of reduction in the level of penalties, the current level of which is considered as a curb on exercising eligibility.

Five suppliers have highlighted the fact that the scheme in force for regulated retail prices is much more beneficial than that which is applied to customers who have exercised their eligibility. The re-invoicing of penalties within the framework of regulated retail prices does not reflect actual penalties resulting from customers exceeding capacities.

Two suppliers would like the method for penalty calculation to be simplified and propose the use of that for regulated retail prices.

One market player would like to see standardisation of penalty calculation thresholds between transmission and distribution.

One market player proposes setting up a transitory period during which the tolerance level would be 15% and the penalty would be half of the current level.

One market player wonders if distribution network capacities need to be subscribed to.

DSOs

Gaz de France Réseau Distribution thinks that it would be preferable to maintain, for large-scale consumers, a subscription tariff incorporating penalties for exceeding capacities, and emphasises the fact that penalties are of a financially neutral nature for the distributor. However, Gaz de France Réseau Distribution's concern is to find the right balance for network users and proposes reduction in the level of penalties by studying a new value of multiplicative coefficients 3 and 6, without modifying the current calculation mode which seems to it to be simple and legible.

The four local distribution companies who replied to this question are against reduction in penalties for exceeding capacity. They consider that these penalties must be dissuasive in nature otherwise network incidents may be caused due to under-dimensioning of the installations related to under-estimation of distribution shippers' needs.

Question 10: *Are you in favour of the scope of services included in tariffs being brought into line with that of the DSO Gaz de France?*

Market players

All market players who expressed an opinion on this question are in favour of standardisation of services included in the tariffs for utilisation of distribution networks.

Three of them have however expressed certain reservations. One of them thinks that this must not lead to upper alignment with the level of tariffs and prices of services.

Two others consider that standardisation must not be obligatorily carried out based on alignment with the current scope of services provided by Gaz de France. In their opinion, it is essential that any service concerning basic management be included in tariffs for utilisation of the distribution networks and are not listed as complementary services in the catalogue.

DSOs

As a general rule, local distribution companies are not on principle against standardisation of services included in tariffs, in order to provide simplification for market players. However, several of them have pointed out that franchise specifications can impose different obligations depending on the DSOs concerned (limit on structures integrated in the franchise, ownership of metering, etc.). Consequently, in a certain number of cases, it is necessary to take into account specific local constraints.

Question 11: *Do you think it necessary to propose daily capacity subscriptions? What do you think of prices proposed?*

Market players

All market players have declared themselves in favour of introduction of daily subscriptions.

Two of them deem appropriate the price proposed for these subscriptions. Two other market players would like the price fixed not to exceed values indicated in the consultation document.

On the other hand, three market players deem the price too high given the fact that the price of daily subscriptions is closely related to monthly subscriptions which they also consider as being high. One contribution thinks the proposed coefficient (1/20th) is arbitrary.

DSOs

All DSOs which expressed an opinion on this question indicated that they had never received a request of this type. Most of them consider that they should highlight the costs incurred by daily capacity subscriptions on their information systems with the number of customers likely to benefit from this option and that such a system must be supported by a certain number of practical arrangements (notice, etc.).

In addition, Gaz de France Réseau Distribution highlights the fact that it does not have any interruptible capacities given the structure of its network.

Question 12: *Do you have any comments concerning distribution system operators' catalogues of services?*

Market players

Two market players consider that services provided by DSOs on their own initiative (for example laboratory checking of metering devices) should be included in transportation tariffs.

One supplier pointed out that the cost of certain services seemed high. Another considers that as this catalogue is not incorporated in the regulated tariff envelope, CRE has good grounds for checking its content and representative nature of actual DSO costs.

One market player indicates that certain paying services in the catalogue are not invoiced in the integrated tariffs. This is mainly the case for offers of non-standard pressures which certain customers benefit from apparently without their knowledge at regulated tariffs and which are invoiced when these customers exercise their eligibility.

One market player considers that the notion of a standard deadline is sometimes difficult to manage: the target deadline, often meaning as soon as possible, should be distinguished along with a maximum value not to be exceeded.

Several suppliers observed that DSOs have problems and are reticent concerning communication of basic data on technical terms for end customers: offtake station characteristics, metering system, etc. It is therefore difficult to assess the costs of services proposed in the catalogue.

DSOs and franchising authorities

One DSO considers that the fact that entities requesting services from the DSO bear the real cost of their requests prevents adverse effects related to free and invoiced services below cost price.

One DSO considers that it is necessary to have consistency of catalogues of services for electricity and gas DSOs in line with opening the market to private individuals in July 2007.

The FNCCR considers that the services should be included as much as possible in the scope covered by standardised tariffs for utilisation of networks and that only highly individualised services should keep personalised financing.

Question 13: *Do you have any other remarks concerning tariffs and methods for utilisation of natural gas distribution systems?*

Market players

- **Independence of incumbent operators:** one supplier indicates that lack of visibility for the end consumer concerning the breakdown of distributor/supplier roles when this involves Gaz de France. Many customers cannot make the distinction between Gaz de France – supplier and Gaz de France – distribution system operator. This supplier has asked for Gaz de France DSO to change its logo in order to reassure customers of this operator’s neutrality.
- **Transportation pricing contribution (CTA):** three market players point out that introduction of the CTA must, all things being equal, be financially neutral for network users. In addition, they regret the further complexity incurred by the CTA for billing end customers. They would like the public authorities to provide customers with clear and presentable texts so that this arrangement does not appear to be a handicap for exercising eligibility.
- **Link between the selected tariff option and metering mode:** for one market player, the tariff selected must not be strictly related to a type of metering. The supplier may want certain sites with atypical consumption profiles not to be profiled unless the sites concerned come under tariff T4. This participant would consequently like introduction of the possibility of requesting installation of a daily meter with a monthly reading of the daily data for T1, T2 and T3 customers.
- **Profiling of small-sized customers:** one market player deplores the current complexity of profiles and their assignment mode for small-sized customers which is deemed to complexify commercial dialogue and likely to give rise to numerous contestations. This participant proposes allocation of an average profile to all customers with six-monthly readouts with possible identification of very low consumers.
- **Proximity tariff (TP):** one consumer considers that the proximity tariff should be made more attractive as its current level does not result in removing any incentive to connect to the transmission network.
- **Information provided to consumers:** two consumers pointed out the lack of information provided to end customers and would like gas suppliers to be obliged to send their customers mail systematically informing them of every pricing modification.
- **Market knowledge:** one supplier considers that absence of public information on sites connected to the natural gas distribution system penalises newcomers who, as opposed to incumbent operators, must deploy costly resources for prospecting customers. In order to foster a real opening of the markets, this supplier would like all authorised suppliers to receive the list of metering and estimation points (PCE) and all the data, of a non-commercially sensitive nature, concerning them similar to what has already been done for customers connected to transmission networks.
- **Contract duration:** one market player regrets that customers are obligatorily held to the transportation contract of a distribution shipper for 12 months whatever the period of validity of the contract between suppliers and customers.
- **Regulated retail prices:** one market player has asked for the publication of a schedule for phasing out regulated retail prices.

List of respondents

Consumers:

- Airbus
- Dalkia
- Fédération française des entreprises gestionnaires de services aux équipements, à l'énergie et à l'environnement (FG3E)
- Fédération nationale des producteurs de l'horticulture et des pépinières (FNPHP)
- Fédération nationale des syndicats d'exploitants agricoles (FNSEA)

Current and potential suppliers:

- Altergaz
- BP
- Distrigaz
- EDF
- Gas Natural Commercialisation
- Gaz de France Direction Commerciale
- Poweo
- Tegaz
- Union professionnelle des industries privées du gaz (UPRIGAZ)

Distributors:

- Gaz de Barr
- Gaz de Bordeaux
- Gaz de France Réseau Distribution
- Gaz de Strasbourg
- Gaz Electricité de Grenoble
- Régie d'Aire sur l'Adour
- Service Gaz et Eau de la ville de Guebwiller
- Vialis (Colmar municipal board)

Others:

- Fédération nationale des collectivités concédantes et régies (FNCCR)