

Implementing Gas Market Reform in Brazil: Insights from European Experience

A competitive gas market is based on a transmission system providing firm physical deliverability, a regulatory framework enhancing midstream flexibility and a hub design facilitating trade (IEA).

Independent programming; Multi-customer, entry-exit-capable systems.

Insourcing; Debottlenecking; Interconnection & Interconnection agreements; Best practices.

Capacity review; Open-season calendar; New transportation products; Capacity marketplace.

The development and implementation of network codes and guidelines provides the regulatory framework necessary for the well-functioning of a liberalised gas market (IEA).

Under CNPE's resolution 16/2019, principles for the transition to a competitive market - operational coordination of the Interconnected System by the Independent TSOs through Network Codes. Two Codes drafted; third one underway.

Clear definitions on TSO and DSO categorisation (IEA).

Brazilian Federal Constitution, Article 177 item IV – The Federal Union has private competence to regulate Natural Gas Pipeline Transportation.

Bill # 4476/2020 (originally 6407/2013):

Article 1 This law establishes rules for the exploitation of economic activities for the **transportation of natural gas by pipelines**...regulated by ANP.

Article 7 Natural gas transportation pipeline criteria, including **item VI**, definition by technical characteristics. **Essential to assure an interconnected marketplace and access to out-of-state supply.**

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