

Feedback from the public consultation on TYNDP 2015

Ádám Balogh
Adviser – System Development

Public consultation: points covered



Following the publication of TYNDP 2015 on 16 March 2015 ENTSOG organized a public consultation between 31 March and 5 June

It covered the different components of the report:

- > Chapter on Infrastructure projects
- > Chapter on Barriers to investment
- > Chapter on Demand
- > Chapter on Supply
- > Assessment chapter

...and asked for respondents views on the following:

- > The stakeholder engagement process
- > The handling of project maturity
- > The assessment of the sustainability criteria



Public consultation: answers received



ENTSOG has received a limited number of answers

- > 9 answers from the following respondents
 - E-Control
 - Edison
 - Elengy
 - Energy Community Secretariat
 - Energy Regulatory Office of the Czech Republic
 - Eurogas
 - Gas Natural Fenosa
 - TAP
 - Uprigaz
- > One of them was not answering the consultation questionnaire

It nevertheless provided a good basis for the analysis, thanks to...

- > the broad profile of the respondents (project promoters, associations of suppliers and traders)
- > and the level of detail of the answers



Chapter on infrastructure projects

The chapter

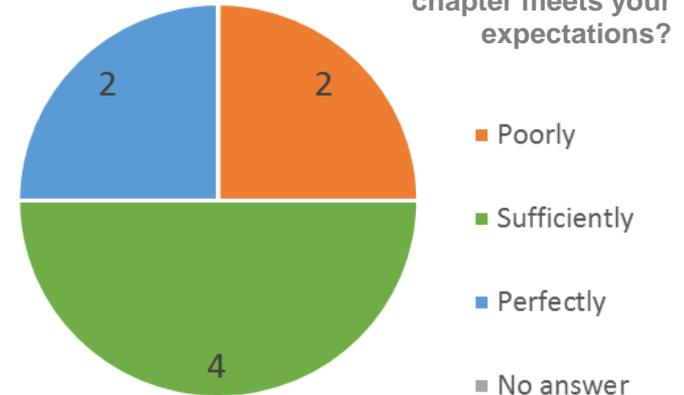
- > It is intended to give an overview of projects submitted in the TYNDP
- > Overall opinion: perceived positively but could be improved

Respondents welcome

- > The presentation of the overall progress in infrastructure development from one TYNDP to the next
- > The introduction of Infrastructure “Levels” (Low, High, PCI) in this edition

Recommendations

- > Provide geographical information on the projects
- > Be more critical about the status of projects to avoid ending with an unrealistic High Infrastructure Level
- > Projects costs should be collected and considered in the assessment





Chapter on Barriers to investment

The chapter

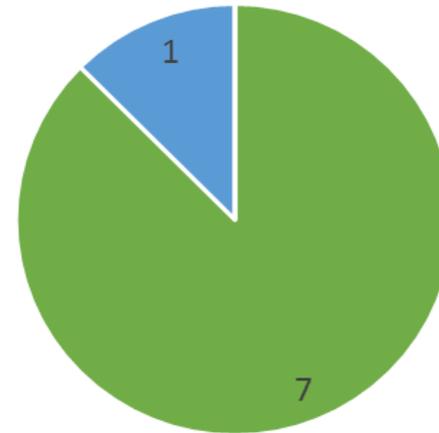
- > This new chapter is a bottom-up analysis of barriers to investment
- > Overall opinion: appreciated but could be further improved

Respondents welcome

- > The analysis on barriers, which they share
- > The bottom-up approach based on project submission

Recommendations

- > Be more explicit on the response rate
- > Increase the robustness of the analysis by minimizing the number of responses pointing at “other” non specific barriers
- > Stress the impact of the European Energy Policy, especially regarding the power generation sector, on the investment climate
- > Provide further analysis depending on project maturity and location



In which extend this chapter meets your expectations?

- Poorly
- Sufficiently
- Perfectly
- No answer



Chapter on gas demand (1/2)

Analysis of historical gas demand

The chapter

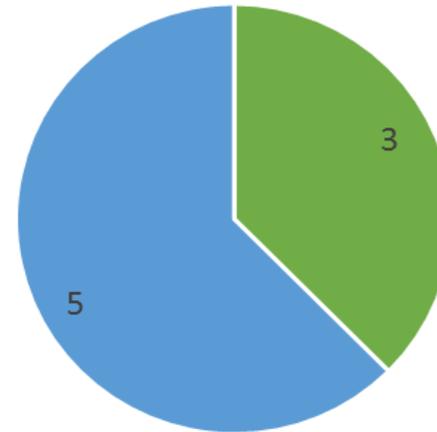
- > It is intended to give context but not draw conclusion on future evolution of gas demand
- > Overall opinion: highly appreciated

Respondents welcome

- > The analysis of historical demand trends
- > The focus on power generation

Recommendations

- > Report the last available demand data
- > Analyse the historical peak demand regarding its coverage by the different supply sources



In which extend this chapter meets your expectations?

- Poorly
- Sufficiently
- Perfectly
- No answer



Chapter on gas demand (2/2)

Definition of demand scenarios

The chapter

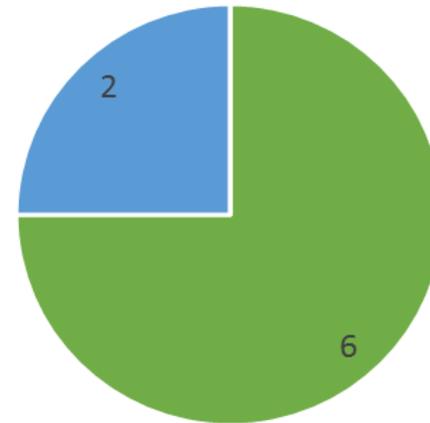
- > It defines the 2 demand scenarios used in the assessment
- > Overall opinion: appreciated but could be improved

Respondents welcome

- > The definition of demand scenarios, inaugurated in TYNDP 2015
- > The coordination with ENTSO-E on power generation

Recommendations

- > Ensure clarity on how the scenarios are built
- > Reflect national specificities while ensuring an overall EU consistency
- > Use up-to-date data for the power sector



In which extend this chapter meets your expectations?

- Poorly
- Sufficiently
- Perfectly
- No answer



Chapter on gas supply (1/2)

Analysis of historical supply trends

The chapter

- > It is intended to give context but not draw conclusion on future evolution of gas supply
- > Overall opinion: it is appreciated

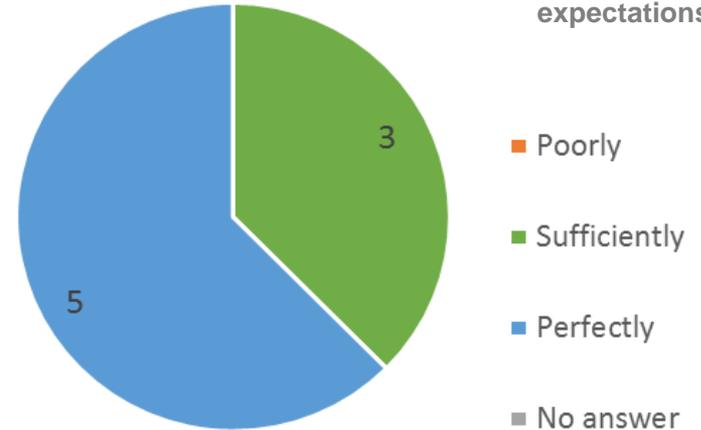
Respondents welcome

- > The analysis of historical supply trends
- > The information provided at import route level

Recommendations

- > Report the last available supply data

In which extend this chapter meets your expectations?

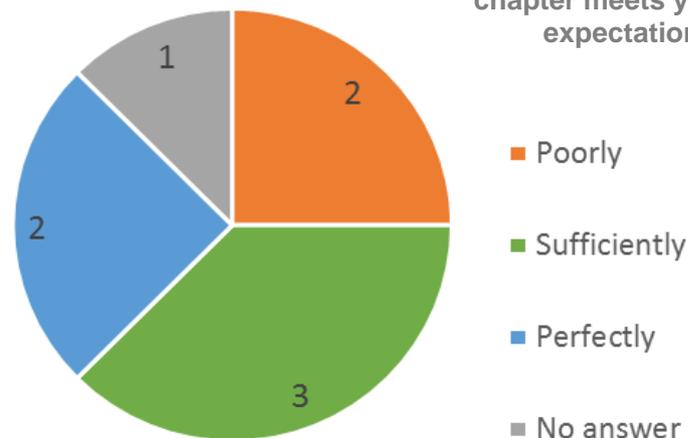


Chapter on gas supply (2/2)

Definition of supply potential

The chapter

- > It describes each supply source by defining 3 “potentials” (minimum, intermediate and maximum). It is used:
 - to assess the supply adequacy outlook
 - to set min and max levels for the modelling
- > Overall opinion: It is rightly identified as an important element of TYNDP robustness and could be improved



Respondents welcome

- > Description of the background for each supply potential

Recommendations

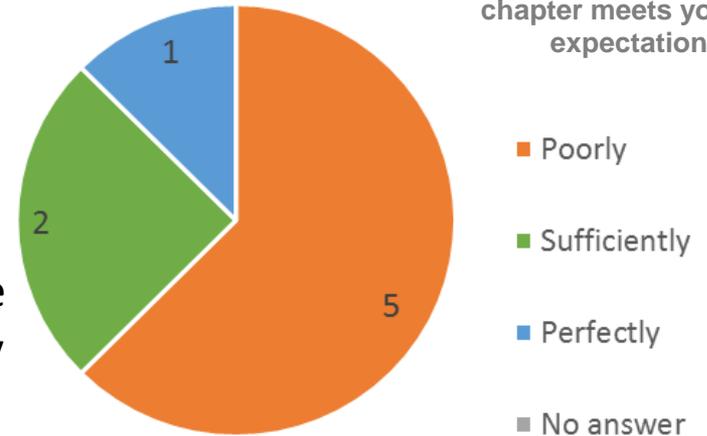
- > Make use if third parties information (IEA,...) to support the analysis
- > Reconsider the usefulness of the intermediate supply potential
- > In terms of supply modelling, take into account the specificities of LNG and carefully define the supply price curves



Assessment chapter

The chapter

- > It is intended to reflect
 - The wide range of expectations from stakeholders
 - The regulatory requirement, among which the application of the approved CBA methodology
- > Respondents have not only commented on TYNDP, but also on Project-Specific CBA
- > Overall opinion: it is considered as too complex



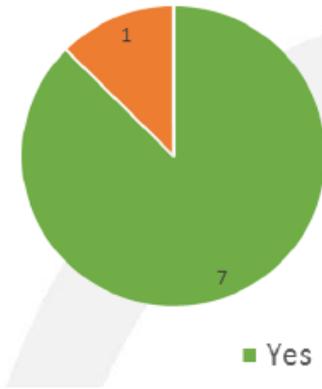
Recommendations

- > Better identify the investment gap
- > Reconsider the added-value in TYNDP of monetisation and of some indicators, whose understanding is uneasy
- > Consider taking into account non-physical constraints (LT contracts,...)
- > Provide more clarity on the modelling of storages and LNG terminals

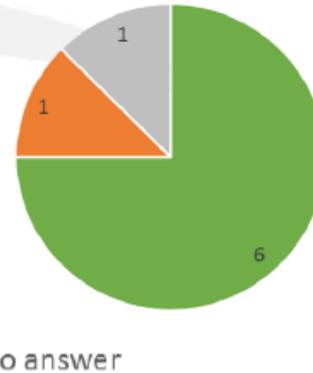


The stakeholder engagement process

Did ENTSOG offer sufficient possibilities for stakeholder engagement?



Have you taken part in any of the public workshop of SJWS related to TYNDP 2015?



■ Yes ■ No ■ No answer

Overall opinion

- > The stakeholder engagement process, through the Stakeholder Joint Working Sessions, is considered robust and useful in providing transparency and understanding
- > The definition of demand scenarios and supply assumptions appears as points requiring specific attention

A green L-shaped graphic consisting of two thick bars meeting at a right angle in the top-left corner.

Handling of project maturity

ENTSOG proposals were

- > To collect further information regarding project maturity
- > To get better information regarding the coordination interconnected infrastructures
- > To consider only the projects submitted before the deadline
- > Not to consider changes to submitted projects after the deadline (unless formal request from the European Commission)

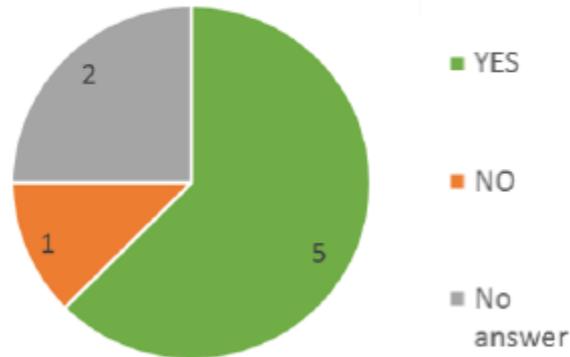
Overall opinion

- > Respondents generally support these ENTSOG preliminary proposals
- > They stressed as crucial to ensure a transparent and non-discriminatory project collection process



Assessment of the sustainability criteria

In TYNDP 2015 sustainability focused on RES production and CO2 emissions from power generation. Do you agree with this approach?



Overall opinion

- > Respondents support ENTSOG approach to sustainability assessment
- > Even if for some TYNDP should first focus on infrastructure adequacy to security of supply and diversification



Conclusion



A mostly convergent feedback...

- > The public consultation feedback is mostly in line with the feedback from the European Commission, ACER Opinion and ENTSOG own perception

... factored in TYNDP 2017 foreseen improvements

Detailed implementation will be further discussed during the stakeholder engagement process



Thank You for Your Attention

Ádám Balogh
Adviser, System Development

ENTSO G -- European Network of Transmission System Operators for Gas
Avenue de Cortenbergh 100, B-1000 Brussels

EML: Adam.Balogh@entsog.eu

WWW: www.entsog.eu